



Vital Paper Products Private Limited

Corporate Social Responsibility Policy (CSR Policy)

This Document, CSR Policy, has been framed by Vital Paper Products Private Limited ('the Company') in accordance with Section 135, Schedule VII of the Companies Act, 2013, and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014. Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014, and the Companies Act 2013, shall apply to this CSR Policy

CSR Policy Objective:

The Company believes that its longevity and success comes from living in harmony with the community & society since it is the society which provides resources, employees, customers, suppliers and administrative agencies.

The Company aspires to be a leading company in manufacturing of Paper Products like Paper Stationery, Paper Packaging. The Company aims to deliver sustainable value to its community. The Company maintains a clear focus on social upliftment, holistic development of community and environment protection for inclusive growth to realize a truly empowered society.

This CSR Policy lays down the guidelines and mechanism to carry out CSR Projects by the Company and to report its CSR work in the format provided by the Corporate Social Responsibility Rules (CSR Rules) under the Companies Act, 2013 (the Act).

Corporate Social Responsibility Committee:

Composition of Committee:

Corporate Social Responsibility Committee ("the Committee") comprising of following,

- Any two Directors from the Board. AND
- Plant Head of each Unit

The Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, and notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.



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Responsibilities of the CSR Committee include the following:

1. To formulate & recommend to the Board on CSR Policy, goals and to implement it and indicate activities to be undertaken.
2. To review the CSR projects/initiatives including the amount of expenditure from time to time.
3. To recommend the Board for its approval, an annual action plan every financial year as per the recommended format of MCA and will review from time to time.
4. To ensure legal and regulatory compliance as per CSR guidelines.
5. To ensure reporting and communication to stakeholders on CSR initiatives.

CSR Activities:

Pursuant to Schedule VII of the Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertaken under the CSR policy of the Company. The Board of Directors has reviewed the said activities and expressed its consent to the Committee to pursue the said activities under the CSR policy of the Company under section 135 of the Companies Act, 2014, Schedule VII and other applicable rules, regulations, notifications, etc., issued/ to be issued from time to time.

Focus areas for CSR Activities:

- *Rural development projects:* sanitation, drinking water, accessibility and sustainable community development, renewable energy, water conservation; promoting recycling, reuse and reduce waste.
- *Community Health care:* Community health, collaboration with non-profit organisations, Govt. agencies and local communities in eradicating malnutrition, promoting preventive health care, medical aid to the needy
- *Education :* promoting employment oriented vocational skills among children, women, elderly; contributions to academic institutions for exercise books, furniture, labs, infra to assist students, non-formal education programs, improving educational facilities
- *Sustainable livelihood Projects* – Holding hands of all marginalized groups to improve livelihood opportunities, thus improving their quality of life.
- Promoting gender-equality; empowerment of women through partnerships for adult literacy and vocational training, helping old-age homes and other facilities for senior citizens.



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The Company may, subject to the recommendation of the CSR Committee and approval from the Board of Directors, undertake any other CSR activity as specified in Schedule VII of the Act from time to time.

Budget for CSR Activity & CSR Expenses:

The Company shall allocate the budget for CSR activities.

The minimum budgeted amount for a financial year shall be 2% of the average net profit of the three immediately preceding financial years. (the amount prescribed under section 135 of the 3 Companies Act, 2013, for the CSR activities for any financial year)

The Company may allocate more fund/ amount than the amount specified above.

The Committee shall calculate the total fund for the CSR activities and recommend them to the Board for approval. The Board shall approve the total fund to be utilized for CSR activity for the respective financial year.

CSR expenditure shall include all expenditures including contributions to the corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.

Location of CSR efforts:

The CSR Committee shall decide on the 'locations' for CSR activities.

Identification of activities/ projects:

Out of approved CSR activities, the Committee shall decide which activity/ project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyze the basic need of the community/ area in which the Organization operates or at the place where its registered office is situated. The Committee shall record its findings and prioritize the CSR activities.

Implementation process:

After prioritizing the activity, the Committee shall finalize the detailed implementation project/program, including planning for expenses against the total budget allocated for CSR activities.



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Implementing Agencies:

The approved CSR activities, projects and program shall be carried out directly or in any of the following ways as the Board on the recommendation of the CSR Committee in its absolute discretion may decide implement it through :

- a. Collaborating with various organization, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialize in the aforesaid activities.
- b. Contribution to various funds which are aligned with our Vision and Mission e.g.
 - Prime Minister's National Relief Fund
 - Any other fund set up by the Central Government for socio-economic development and relief; and for the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.
- c. Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

Monitoring of CSR projects:

All CSR Committee monitors the Projects/Activities shall be monitored directly by the Board, or those project in collaboration with the implementing agencies.

In the case of "ongoing projects or programs" yearly implementation, monitoring, and evaluation plan shall be fixed and approved by the Board on the recommendation of the CSR Committee and periodic reports shall be shared with the Board.

At the end of every Financial Year, the CSR Committee shall submit to the Board requisite information and documents to report on the progress of implementation of the CSR projects or programs approved by the Board.

Further, the Financial Controller of the Company shall also submit a certificate to the Board certifying that the funds disbursed for CSR projects or activities have been utilized for the said purpose.

Compliance and Reporting to Board:

The Committee is responsible for undertaking CSR activities as per the approved CSR Policy. A detailed Report shall be placed before the Board that contains the implementation schedule, the total budget allocated, actual expenses incurred, surplus arising, if any, the result achieved, further work to do in the concern CSR activity, Recommendation for the CSR activities for next year. Any surplus arising out of the funds allocated for CSR activity shall not be part of the business profit of the Company.



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DISCLOSURES

The Annual Report of the Company includes a section on CSR outlining the CSR Policy, CSR Committee, CSR initiatives undertaken by Company, the CSR spend/expenses during the financial year and other information as required by the prevailing law.

Review & Amendments to the Policy:

The Company or the Board reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

Version No.1
Date: 22nd March, 2023

Authorised by: The Board of Directors