

GARWARE FULFLEX INDIA PRIVATE LIMITED
(Formerly known as Garware Bestretch India Private Limited)

Garware Fulflex' s vision is to develop flexibility as a state of mind, to be able to change according to the need, to be willing to go out of the way to make a difference in the area of Corporate Social Responsibility ('**CSR**').

The Company has its roots from the visionaries like late Padmabhushan Mr. B D Garware and late Mr. Ramesh B Garware, who remarkably had contributed to the social cause, betterment of society and for the wellbeing of people. It is evident from various trusts and section 8 companies within the group that carry various projects for Corporate Social Responsibility ('**CSR**'). At Garware Fulflex, the undertaking of social projects under Corporate Social Responsibility ('**CSR** is a habit and a custom.

The Company has always endeavored to conduct its business with responsibility, accountability, adhering to applicable laws and high regard to human dignity. Company's CSR objective is "to improve the quality of life of the communities to which it serves with focus to contribute to the sustained development of the society and environment". The Company shall allocate funds for CSR in pursuance of applicable regulations. Any surpluses arising out of CSR projects or activities shall be re-deployed back into CSR activities and will not form a part of the business profits of the Company.

Focus Areas

In accordance with section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibilities) Rules, 2014 and Schedule VII of the Companies Act, 2013, Garware Fulflex' s CSR activities will cover:

- **Education** – Promoting education including special education either by monetary contributions or through sponsoring existing institutions/setting up institutions and by providing infrastructure with the objective of assisting students in their studies and with a view to develop students as the future value creators and by promoting education to the under privileged children, supporting people from the rural and backward areas and helping the specially abled people and for the promotion of special education and employment enhancing vocational skills specifically among children, women, elderly and the specially abled and livelihood enhancement project.
- **Gender Equality & Empowerment of Women and Care of Orphans and Senior Citizens** – To promote, by assisting and supporting efforts of recognized institutions devoted to gender equality and empowerment of women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and other supporting facilities for senior citizens and adopting measures for reducing inequalities faced by socially and economically backward groups.

- **Environmental sustainability** – Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water and also by promoting renewable sources of energy, and to provide monetary support in creating awareness about other environmental issues.
- **Rural Development Projects** – Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods and thereby creating sustainable villages.
- **Sports** – Training to promote nationally recognized sports, rural sports, Paralympic and Olympic sports and measures to encourage children to take active interest in sports.
- **Healthcare, Poverty Removal, Malnutrition, Swachha Bharat**– Promotion of healthcare including preventive healthcare and sanitation and emergency medical care and measures for eradication of hunger, poverty and malnutrition and making available safe drinking water and also the contribution to the Swachha Bharat Kosh set-up by the Central Government.
- **Support to Defense** – Measures for the benefit of armed forces veterans, war widows and dependents.
- **Promotion of National Heritage, Art and Culture** - Measures to promote national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional art and handicraft and
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the backward classes, minorities and women.
- A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- **The Company can now incur Administrative overheads**” which will mean expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme. Thus, the expenses **incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company will be covered under Administrative overheads.** The expenses directly incurred by the company for “designing,



implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme” shall be considered as CSR expenditure and not administrative overheads.

Governance:

The Company at its own or through a company under section 8 of the Companies Act, 2013 or a charitable trust , a registered society established by Central or State Government , an NGO’s, or other similar non-profitable organizations or other institutions can undertake all its CSR activities as per the provisions of the Companies Act, 2013. Accordingly, Garware Fulflex Social Foundation (the Foundation), a section 8 company has been set up by the Company as CSR Implementing Agency. The Foundation shall work closely with the Board of Directors and the CSR Committee in implementing the CSR activities of the Company. The Foundation will assist the CSR Committee in identifying the areas of CSR activities, programs and be responsible for the execution of CSR initiatives as per defined guidelines of the CSR Policy. The Foundation will also assist the Board and the CSR Committee in reporting the progress of deployed initiatives and in making appropriate disclosures (internal / external) on periodic basis.

The Charitable Trusts, Sections 8 companies, registered societies, NGO’s and such other organizations carrying out the CSR activities, shall register itself with the Central Government (MCA) by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021 and obtain a unique CSR Registration Number., However if the CSR projects or programmes are approved prior to the 01st day of April 2021, then the registration for those old continuing projects may not be required.

The Board of a company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

The CSR Committee could, from time to time, recommend donating or making grants to the PM’s fund or funds set up by the Central and State Governments or to non-profit organizations and other institutions whose activities are aligned with the Company’s CSR.

Ongoing projects

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

Implementation

- The CSR Committee shall recommend the annual CSR Expenditure Budget to the Board for its consideration and approval;
- Programme / activities to be undertaken by the Company under the CSR shall be as approved by Board of Directors (the Board) in pursuance of recommendations of the CSR Committee of the Board.
- A specific budget shall be allocated for each specific CSR activity/project. This budget shall be project/activity driven. The time period / duration over which the activities will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

CSR Committee

The CSR Committee of the Board will govern and review the CSR activities of the Company from time to time. The CSR Committee will recommend the CSR activities to the Board for its approval. The composition of the CSR committee of the Board is as below –

Mr. S.R. Pitre	-	Chairman of the Committee
Ms. Diya Garware Ibanez	-	Member
Mr. Ajit Singh Chouhan	-	Member

Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the company;

Provided the Board of Directors may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Excess CSR spends set off

Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 **up to immediate succeeding three financial years** subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities and the Board of the company shall pass a resolution to that effect.

Thus, excess CSR spend in any particular year can be set off against CSR expenditure over the immediate succeeding three financial years and the Board of the company passing a resolution to that effect.

Acquisition of capital assets

The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by:

- a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under Rule 4(2); or
- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- a public authority:

Managing unspent CSR expenditure :Accordingly, any amount remaining unspent under sub-section (5) of Section 135, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the “Unspent Corporate Social Responsibility Account”, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

This sub-section now requires companies having ongoing projects to transfer unspent CSR funds within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be



called the “Unspent Corporate Social Responsibility Account”, and such amount shall be spent by the company in pursuance of its obligation towards CSR within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the

Monitoring

The CSR Committee shall be responsible for monitoring the implementation process, evaluating the impact, keeping the Board informed. The CSR Committee shall ensure that the surplus (if any) arising out of CSR activities shall not form part of the business profit of the Company.

Display of CSR activities on its website

The Board of Directors of the Company shall **mandatorily disclose** the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, **for public access**.

Review of the Policy

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be made and approved by the CSR Committee of the Board.

Contact

For queries relating to the CSR policy, please write to us at – GBIPL.LEGAL@fulflex.com

For Garware Fulflex India Private Limited
(Formerly known as Garware Bestretch India Private Limited)

A handwritten signature in blue ink, appearing to read "Diya Garware Ibanez", with a horizontal line underneath.

Diya Garware Ibanez
Chairperson & Director
DIN: 00415841

Address – Ramesh Garware Farm, NDA Road, Khadakwasala, Pune – 411021

Date: 28th August 2021.