

CORPORATE SOCIAL RESPONSIBILITY POLICY
QUALITY NEEDLES PRIVATE LIMITED
CIN No. U74899DL1984PTC017706

Regd. Office Address: FF-42, Omaxe Square, Commercial Center Jasola, New Delhi, South Delhi -110025 IN

I. COMPANY'S VISION

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to the society.

As a responsible corporate citizen and as part of its Endeavour towards inclusive development of society and community at large, Quality Needles Private Limited recognizes the significance of the philosophy and the concept of CSR, which will add value to the operations and contribute towards the long term sustainability of the business and eventually, enhance the interests of the stakeholders and the society.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013 and rules made there under.

The CSR initiatives, by the Company shall give preference to the local areas, which, however, will not directly relate to (i) the business of the Company and (ii) welfare of its employees.

II. CSR COMMITTEE

The Company had constituted Corporate Social Responsibility Committee ("the Committee") comprising of following three Directors:

- 1. Mr. Vivek Vinod Singh - Chairman*
- 2. Mr. Anish Vanraj Bafna, Member*

The Group Company Secretary of the Company shall act as Secretary to the Committee.

Board of Directors of the Company may re-constitute the Committee, as and when required in accordance with the provisions of Companies Act, CSR rules, regulation and notification issued by Ministry of Corporate Affairs from time to time.

III. POWERS OF THE COMMITTEE

Following are the powers of the CSR Committee:

- i. Formulate CSR Policy;

- ii. Recommend the CSR Policy to the Board of Directors of the Company for approval;
- iii. Recommend CSR activities which are listed as under Schedule VII of the Act;
- iv. Approve to undertake Company's CSR activities in collaboration other Companies/ firms/ NGOs, etc. and to separately report the same in accordance with the CSR Rules;
- v. Recommend the CSR budget;
- vi. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- vii. Create transparent monitoring mechanism for implementation of CSR Initiatives in India;
- viii. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- ix. Monitor CSR Policy from time to time;
- x. Monitor activities and ensure that the CSR activities of the Company are implemented effectively;
- xi. Authorize CSR sub-committee members to attend the CSR Committee Meetings; and
- xii. Appoint, terminate and otherwise manage personnel for implementation and monitoring and related work with respect to the CSR Policy, Plan and recommendation of the CSR Committee.

IV. OBJECTIVE AND PURPOSE

The objective of the Policy is:

- i. to lay down guidelines to make CSR a key business process for sustainable development of the society in alignment with the Companies Act, 2013;
- ii. to undertake projects and programs that will enhance the quality of life and economic well-being of the under privileged sections of the society;
- iii. to generate awareness, goodwill and recognition among all stakeholders of the Company.

The purpose of this CSR Policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR Policy applies throughout all of the procurement service and governs our approach to all our activities. In implementing this Policy, we aim to be responsible and be an example of good practice.

V. CSR ACTIVITIES

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

Sl. No.	CSR Activity	Relevant clause of Schedule VII
1	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	I

2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	II
3	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	III
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	IV
5	Protection of 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 handicrafts	V
6	Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows	VI
7	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	VII
8	Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women	VIII
9	Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government	IX
10	Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).	IX
11	Rural development projects	X
12	Slum area development	XI
13	Disaster management, including relief, rehabilitation and reconstruction activities.	XII

VI. BUDGET FOR CSR ACTIVITIES & CSR EXPENSES

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for any financial year shall be 2% of the average net profit of three immediately preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for their approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of 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.

VII. TREATMENT OF UN-SPENT CSR AMOUNT AND SET-OFF OF EXCESS AMOUNT SPENT TOWARDS CSR

Any amount spent in excess of the amount required to be spent can be set-off or any amount remain unspent during the Financial Year is required to be transferred to the unspent account as per the provision of the Companies Act, 2013.

VIII. ANNUAL ACTION PLAN

The Annual Action Plan is a yearly plan of CSR activities that would be placed before Board of Directors of the Company after the recommendation of its CSR Committee which may outline the following aspects of CSR initiatives of the Company:

- i. CSR Projects
- ii. Partnering agencies/ companies/ firms
- iii. Project Proposals
- iv. Beneficiaries of the Project and their needs
- v. Alignment with Schedule VII of the Act
- vi. Project analysis
- vii. Activities and the timelines for each activity
- viii. CSR Budget
- ix. Monitoring mechanism
- x. Progress reporting and frequency of reports
- xi. Any other information as may be required by the CSR Committee

IX. IMPACT ASSESSMENT

The Company is required to carry the impact assessment in case at any time the average CSR obligation crosses *ten crore rupees or more* in the immediately three preceding financial years through an independent agency of their CSR projects having outlays of *one crore rupees or more* and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be annexed to the Annual Report on CSR or any other form as may be prescribed by the authorities and the Impact assessment expenditure can be booked as CSR expenses. However, it shall *not exceed five percent of the total CSR expenditure* for that financial year or fifty lakh rupees, whichever is less.

X. 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.

A. Implementation process:

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

B. Organizational Responsibility:

CSR committee shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

C. Monitoring by the Board:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on yearly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

D. Compliance and Reporting to Board:

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from yearly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incurred, surplus arising, if any, result achieved, further work to do in the concern CSR activity, recommendation for the CSR activities for next year etc; should be placed before the Board for its consideration.

Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company or such surplus shall be ploughed back into the same project or shall be transferred to the Unspent CSR account within the stipulated period.

The Annual Report of the Company shall include a report on CSR Policy, CSR Committee, CSR initiatives undertaken by the Company, CSR spend during the financial year and other information as required by the prevailing law.

E. Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act,2013 and amendment(s) to be made thereto in future.

F. Frequency OF CSR COMMITTEE MEETINGS

The meeting of the CSR Committee shall be held as and whenever deemed fit by the CSR Committee in compliance with the applicable law. The time and place of the said meetings shall be decided by the members of the CSR Committee. The quorum for the meeting shall be at least two members. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Act and Rules made thereunder from time to time. Minutes of the CSR Committee shall be placed before the Board for noting.

G. Amendments to the Policy

The Board of the Directors as per the recommendation of CSR Committee can amend this Policy, as and when deemed fit, Any or all provisions of this Policy would be subject to revision/ amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

H. Website disclosure

As per the provisions of the Act, the details of CSR Committee, CSR policy and Projects approved by the board shall be displayed on the Company's website, if any.