

CORPORATE SOCIAL RESPONSIBILITY

POLICY

(CSR Policy)

Company Name	SKYDECOR LAMINATES PRIVATE LIMITED
CIN	U25209DL2019PTC357148
Policy Title	Corporate Social Responsibility Policy
Governing Law	Section 135 read with Section 198 and Schedule VII of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time
Approved By	Board of Directors
Date of Adoption	17.04.2024
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1. INTRODUCTION

Skydecor Laminates Private Limited (hereinafter referred to as “the Company”) is engaged in the manufacture, trading, and distribution of PVC Laminates, Acrylic Laminates, Decorative Laminates, Edgebands and Soffitto Panels.

The Company firmly believes that sustainable, long-term business growth is best achieved when it actively contributes to the well-being of the society and environment in which it operates. Corporate Social Responsibility (CSR) at Skydecor Laminates is therefore rooted in the principles of ethics, environmental stewardship, and inclusive community development.

Through its CSR initiatives, the Company endeavours to:

- Improve the quality of life of the communities in which it operates.
- Promote responsible environmental practices and ecological balance.
- Empower individuals through education, vocational training, and skills development.

This policy provides a structured framework for the planning, implementation, monitoring, and reporting of all CSR activities undertaken by the Company in compliance with the Companies Act, 2013 and the applicable rules made thereunder.

2. SHORT TITLE, APPLICABILITY & OBJECTIVE

This policy shall be known and referred to as the “CSR Policy of Skydecor Laminates Private Limited.” It has been formulated in accordance with Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014, as amended from time to time.

This policy is applicable to all CSR projects and programmes undertaken by the Company within India and shall serve as the guiding framework for the planning, implementation, monitoring, and disclosure of all CSR-related activities.

The obligations under this Policy shall be triggered in respect of a financial year in which the Company falls within the thresholds prescribed under Section 135(1) of the Act, that is, where during the immediately preceding financial year the Company has a net worth of Rs. 500 crore or more, or a turnover of Rs. 1,000 crore or more, or a net profit of Rs. 5 crore or more. In terms of the proviso to Section 135(1) of the Act, where the Company ceases to meet the said thresholds for three consecutive financial years, it shall not be required to constitute a CSR Committee or to comply with the provisions of Section 135(2) to Section 135(6) of the Act until such time as it again meets the said thresholds.

Objectives of this Policy

- To integrate social, environmental, and ethical responsibilities into the Company’s business governance and decision-making processes.
- To support and invest in initiatives relating to education, skill development, environmental sustainability, healthcare, and community welfare.
- To ensure full compliance with applicable CSR laws and to maintain transparency and accountability in the reporting of CSR activities.

- To foster and encourage meaningful employee participation in community development programmes.

Key Definitions

- **“Act”** means the Companies Act, 2013, together with the rules made thereunder, as amended from time to time.
- **“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- **“CSR”** means the activities undertaken by the Company in pursuance of its statutory obligation under Section 135 of the Act, in accordance with the provisions contained in the CSR Rules, but does not include the activities excluded under Rule 2(1)(d) of the CSR Rules (set out in Clause 8.8 of this Policy).
- **“Net Profit”** means the net profit of the Company as per its financial statements prepared in accordance with the applicable provisions of the Act, calculated in accordance with Section 198 of the Act and Rule 2(1)(h) of the CSR Rules, but shall not include any profit arising from any overseas branch of the Company and any dividend received from other companies in India which are covered under and complying with the provisions of Section 135 of the Act.
- **“Ongoing Project”** means a multi-year project undertaken by the Company in fulfilment of its CSR obligation, having timelines not exceeding three years excluding the financial year in which it was commenced, and includes such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.
- **“Administrative Overheads”** means the expenses incurred by the Company for general management and administration of its CSR functions, but does not include the expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular CSR project or programme.
- **“Annual Action Plan”** means the plan formulated and recommended by the CSR Committee to the Board for a financial year in terms of Rule 5(2) of the CSR Rules, as set out in Clause 5 of this Policy.
- **“Implementing Agency”** means an entity eligible under Rule 4(1) of the CSR Rules that is registered with the Central Government by filing e-Form CSR-1 with the Registrar of Companies and holds a valid CSR Registration Number.

3. CSR VISION AND MISSION STATEMENT

VISION

“To build a sustainable future by enriching lives, preserving the environment, and empowering communities through responsible and inclusive growth.”

MISSION

“To improve the quality of life of the communities in which we operate through integrated, impactful and sustainable development initiatives.”

4. CSR COMMITTEE — CONSTITUTION & RESPONSIBILITIES

In accordance with the requirements of the Companies Act, 2013, the Company has constituted a CSR Committee of the Board of Directors. The Committee is responsible for providing strategic direction, overseeing implementation and ensuring effective governance of all CSR initiatives undertaken by the Company.

Composition of the CSR Committee

Name of Director	Designation on Committee
Mr. Manoj Kumar Bansal	Member
Mr. Utsav Garg	Member

Note: The Board shall designate one of the members of the CSR Committee as its Chairperson. The composition set out above shall be updated by the Board upon any change in the membership of the Committee, and any such change shall be recorded by way of a Board resolution and disclosed on the Company's website in terms of Rule 9 of the CSR Rules.

Key Roles & Responsibilities of the CSR Committee

- Formulate and recommend the CSR Policy and the activities to be undertaken by the Company to the Board of Directors.
- Recommend the annual CSR expenditure amount to the Board, ensuring adherence to the statutory minimum of 2% of average net profits.
- Oversee and monitor the implementation of CSR projects and programmes, and evaluate their outcomes and impact.
- Ensure ongoing compliance with Schedule VII of the Companies Act, 2013 and all relevant amendments.
- Formulate a long-term CSR strategy and recommend modifications to the CSR Policy as and when necessitated by law or circumstance.
- Approve budgetary allocations to various CSR units or groups and monitor utilisation of CSR funds.
- Recommend to the Board an Annual CSR Action Plan delineating the projects or programmes to be undertaken in the financial year.
- Appoint an independent agency or firm to conduct an impact assessment study, wherever applicable.

5. CSR IMPLEMENTATION

The CSR Committee shall formulate and recommend to the Board, for each financial year, an Annual Action Plan in pursuance of this Policy. In terms of Rule 5(2) of the CSR Rules, the Annual Action Plan shall include:

- 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, as specified in Rule 4(1) of the CSR Rules;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- the 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.

The Board may alter the Annual Action Plan at any time during the financial year, on the recommendation of the CSR Committee, based on reasonable justification recorded in writing.

CSR projects and programmes may be implemented through any one or a combination of the following modes, as may be permissible under the applicable CSR provisions from time to time:

- Directly by the Company through its own resources and personnel.
- Through entities or trusts established by the Company for CSR purposes.
- In collaboration with other eligible implementing agencies or NGOs, as permitted under the CSR Rules.

The CSR Committee shall provide guidance and direction throughout the implementation process to ensure that all projects achieve their intended social outcomes within the approved budgets and timelines.

6. CSR MONITORING

The CSR Committee shall establish and maintain a robust monitoring and reporting mechanism to track the progress of all CSR projects and programmes. Reviews shall be conducted at such frequency as the Committee may deem necessary, and in compliance with the applicable statutory provisions.

The Committee shall convene at least half-yearly meetings to review CSR project progress, assess social outcomes, and monitor financial utilisation. Based on the findings, the Committee may refine the CSR strategy, introduce new focus areas, or redirect resources as appropriate.

In the interest of transparency and stakeholder communication, the CSR Committee shall ensure that details of the Company's CSR initiatives and expenditure are documented and made publicly available through the Director's Report in the Company's Annual Report and on the Company's official website.

Statutory Disclosure

The Company shall disclose the CSR Committee composition, policy and the projects approved, on the website of the Company and any changes made to the policy are updated on the website as and when the changes are made and approved.

7. ROLES AND RESPONSIBILITIES OF THE CSR COMMITTEE

The CSR Committee shall be responsible for the following functions:

- Formulating the CSR Policy in compliance with Section 135 of the Companies Act, 2013.
- Identifying and finalising the activities to be undertaken in accordance with Schedule VII of the Companies Act, 2013.
- Recommending to the Board the amount of CSR expenditure to be incurred in each financial year.

- Recommending modifications to the CSR Policy to the Board, as and when required, and regularly monitoring the implementation of the same.
- Approving budgetary allocations of funds to various CSR units and monitoring the utilisation of CSR funds.
- Recommending to the Board an Annual CSR Action Plan setting out the CSR projects or programmes to be undertaken during the financial year.
- Appointing an independent agency or firm to carry out impact assessment studies, where applicable.

8. POLICY STATEMENT — CORE PROVISIONS

8.1 Core Philosophy

For the Company, responsible business practices encompass accountability for its manufacturing processes, business operations, and products, as well as the cultivation of responsible relationships with employees, customers, and the communities in which it operates. Accordingly, the Company's approach to CSR transcends mere statutory compliance. The Company is committed to creating tangible social and environmental value while simultaneously supporting its business objectives, reducing operating costs, and strengthening relationships with key stakeholders and customers.

8.2 Annual CSR Expenditure

In every financial year in which the Company falls within the thresholds prescribed under Section 135(1) of the Act, the Board shall ensure that the Company spends, in pursuance of this Policy, at least 2% (two percent) of the average Net Profits of the Company made during the three immediately preceding financial years, computed in accordance with Section 198 of the Act read with Rule 2(1)(h) of the CSR Rules. The specific amount to be spent in each financial year shall be approved by the Board of Directors on the recommendation of the CSR Committee. While allocating such amount, the Company shall give preference to the local area and the areas around it where it operates.

8.3 Thrust Areas and Allocation of Resources

The CSR Committee of the Board shall manage the prescribed CSR corpus to fund initiatives that address the development needs of local communities and align with the Company's CSR priorities. In accordance with Schedule VII of the Companies Act, 2013, the Company may invest CSR resources in any of the following areas:

- Promoting education, including special education and employment-enhancing vocational skills, particularly among children, women, the elderly, and persons with disabilities, as well as livelihood enhancement projects.
- Eradicating hunger, poverty, and malnutrition; promoting preventive healthcare and sanitation, including contributions to the Swachh Bharat Kosh; and ensuring access to safe drinking water.
- Promoting gender equality and women's empowerment; establishing homes and hostels for women and orphans; setting up old age homes, day-care centres, and other facilities for senior citizens; and undertaking measures to reduce inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources, and maintaining the quality of soil, air, and water, including contributions to the Clean Ganga Fund.

- Protection of national heritage, art, and culture, including restoration of buildings and sites of historical importance, works of art, establishment of public libraries, and promotion of traditional arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows, and their dependants.
- Training to promote rural sports, nationally recognised sports, Paralympic sports, and Olympic sports.
- Contributions to the Prime Minister's National Relief Fund or any other Central Government fund established for socio-economic development and welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes, minorities, and women.
- Contributions or funds provided to technology incubators located within academic institutions approved by the Central Government.
- Rural development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.
- 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.
- Contributions to public funded universities, Indian Institutes of Technology, National Laboratories and autonomous bodies engaged in conducting research in science, technology, engineering and medicine, aimed at promoting Sustainable Development Goals.
- Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or to any other fund set up by the Central Government and specified in Schedule VII of the Act.

The list set out above reflects Schedule VII of the Act as presently in force and is indicative. Schedule VII shall be interpreted liberally so as to capture the essence of the subjects enumerated therein. Any amendment, addition or substitution made to Schedule VII of the Act from time to time shall be deemed to be incorporated in this Policy with effect from the date of such amendment, without requiring any separate amendment to this Policy.

Notwithstanding the above, the Company shall accord priority to initiatives relating to:

Priority Focus Areas: *Promoting Education • Skill Development • Ensuring Environmental Sustainability*

The CSR Committee shall periodically review the CSR activities undertaken by the Company and make appropriate recommendations to the Board of Directors. The Company may make contributions to Corporate Foundations or Trusts, either towards their corpus or directly for specific projects, and may also undertake CSR activities independently.

Any surplus arising out of the CSR activities of the Company shall not form part of the business profit of the Company and shall be (i) ploughed back into the same project; or (ii) transferred to the Unspent CSR Account and spent in pursuance of this Policy and the Annual Action Plan of the Company; or (iii) transferred to a Fund specified in Schedule VII of the Act, within a period of six months from the expiry of the financial year.

8.4 Board's Responsibility

The Board of Directors shall bear overall responsibility for ensuring the effective implementation and monitoring of the Company's CSR initiatives in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Board shall ensure that:

- All CSR activities undertaken by the Company fall within the scope of the approved CSR Policy and are aligned with the areas specified under Schedule VII of the Act.
- In every financial year, the Company spends at least 2% of the average net profits of the three immediately preceding financial years, as mandated by Section 135 of the Act.
- Preference is given to the local areas and vicinity of the Company's operations when determining the allocation of CSR expenditure.
- Any amount remaining unspent in a financial year is dealt with strictly in the manner set out in Clause 8.5 of this Policy, and the reasons for not spending the prescribed amount are specified in the Board's Report.
- Employee participation in CSR projects is actively encouraged and supported through appropriate platforms and initiatives.

8.5 Treatment of Unspent CSR Amount

Until a fund is specified in Schedule VII for the purposes of subsection (5) and (6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

8.6 Set-off of Excess CSR Expenditure

Where the Skydecor spends an amount in excess of the requirement under Section 135(5) of the Act in any financial year, such excess amount may be set off against the CSR obligation of the Skydecor for up to the immediately succeeding three financial years, subject to the conditions that (i) the excess amount available for set-off shall not include the surplus arising out of CSR activities, if any

8.7 Administrative Overheads

In terms of Rule 7(1) of the CSR Rules, the Administrative Overheads of the Company shall not exceed 5% (five percent) of the total CSR expenditure of the Company for the financial year. Expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular CSR project or programme shall not be treated as Administrative Overheads.

8.8 Activities Not Eligible as CSR

In terms of Rule 2(1)(d) of the CSR Rules, the following shall not constitute CSR activities, and no CSR expenditure shall be incurred by the Company thereon:

- activities undertaken in pursuance of the normal course of business of the Company;
- any activity undertaken by the Company outside India, except for training of Indian sports personnel representing any State or Union Territory at the national level or India at the international level;
- contribution of any amount, directly or indirectly, to any political party under Section 182 of the Act;
- activities benefitting only the employees of the Company and their families;

- activities supported by the Company on a sponsorship basis for deriving marketing benefits for its products or services;
- activities carried out for the fulfilment of any other statutory obligation under any law in force in India.

8.9 Review and Amendment of this Policy

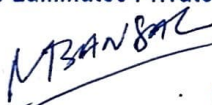
This Policy shall be reviewed by the CSR Committee or by the Board of Directors where no CSR Committee is required to be constituted, at least once in every financial year, and shall be amended as may be necessary with the approval of the Board. Any amendment made to Section 135 of the Act, Schedule VII of the Act, or the CSR Rules shall be deemed to be incorporated in this Policy with effect from the date on which such amendment comes into force. In the event of any conflict or inconsistency between this Policy and the provisions of applicable law, the provisions of applicable law shall prevail.

AUTHORISATION

This CSR Policy has been approved by the Board of Directors of Skydecor Laminates Private Limited.

**For & on behalf of the Board of
SKYDECOR LAMINATES PRIVATE LIMITED**

Skydecor Laminates Private Limited


(Manoj Kumar Bansal) Director
DIRECTOR

Skydecor Laminates Private Limited


(Utsav Garg) Director
DIRECTOR

Disclaimer: *This policy is subject to periodic review and amendment by the Board of Directors. The most current version of this policy shall be available on the Company's official website. In the event of any conflict between this policy and the applicable provisions of law, the law shall prevail.*