

**NIRLON LIMITED**

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T +91-22-4028 1919 / 2685 2256 - 59.  
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www.nirlonltd.com, Email:info@nirlonltd.com

CIN:L17120 MH1958PLC 011045



## **Nirlon Limited's Corporate Social Responsibility Committee (CSRC) and Corporate Social Responsibility (CSR) Policy**

**(Effective from November 13, 2014)**

### **(I) Introduction**

The Corporate Social Responsibility Committee (CSRC) of Nirlon Limited ("the Company" or "NL") was formed on September 23, 2014, in compliance with Section 135 of the Companies Act, 2013, and Clause 55 of the BSE Listing Agreement.

### **(II) Objectives**

**CSRC** and **CSR** Policy are in compliance and in agreement with Section 135 and Clause 55 of the Listing Agreement, i.e.

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- (b) To recommend the amount of expenditure to be incurred on the activities.
- (c) To monitor the CSR Policy.
- (d) To ensure that the Company spends in every financial year, atleast 2(two) per cent of the average net profits of the Company made during the 3(three) preceding financial years.

### **(III) Definitions**

- (1) "**Act**" means the Companies Act, 2013;
- (2) "**Corporate Social Responsibility (CSR)**" means and includes but not limited to:-
  - (i) Projects or programs relating to activities specified in Schedule VII to the Act; or
  - (ii) Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of recommendations of CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act;
- (3) "**CSR Committee**" means the Corporate Responsibility Committee of the Board referred to in Section 135 of the Act;
- (4) "**Board**" means the Board of Directors of the Company;
- (5) "**Clause**" means Clause 55 of the Listing Agreement.



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**(IV) Roles and Responsibilities**

- (a) To disclose the composition of the Corporate Social Responsibility Committee in the Board's Report;
- (b) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (c) To recommend the amount of expenditure to be incurred on the activities;
- (d) To monitor the Corporate Social Responsibility Policy of the company from time to time;
- (e) To disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed;
- (f) To ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.
- (g) To ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:

Provided further that if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount.

**Activities which may be included in CSR Policy**

Activities relating to:—

- (i) Eradicating extreme hunger and poverty;
- (ii) Promotion of education;
- (iii) Promoting gender equality and empowering women;
- (iv) Reducing child mortality and improving maternal health;
- (v) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- (vi) Ensuring environmental sustainability;
- (vii) Employment enhancing vocational skills;
- (viii) Social business projects;
- (ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and



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(x) Such other matters as may be prescribed.

**(V) Constitution**

1. The CSRC shall always consist of atleast three directors, out of which at least one director shall be an independent director and one Director shall be a Woman Director.
2. Membership of the Committee shall be disclosed in the Annual Report.
3. The Company Secretary of the Company shall act as Secretary of the Committee.

**(VI) Power to remove difficulties**

If any difficulties arise in giving effect to the provisions of this Policy, the Chairman of CSRC may in consultation with the Board by an order make such provisions as appear to it to be necessary or expedient for removing the difficulty by suitably amending/ modifying, such provisions and amendment/ modification shall be displayed at the website of the Company.

It is always provided that such amendment/ modifications shall in no event be inconsistent with the provision of the Act and the Clause.

**(VII) Overriding Effects:**

This Policy will not override the Act and the Clause, and any amendment and/or modification to the Act and/or the Clause shall prevail over the Policy.

Any provision contained in this Policy to the extent to which it is inconsistent or repugnant to the provisions of the Act or the Clause shall become or be void, as the case may be.



Certified True Copy  
For NIRLON LIMITED

J. K. Bhavsar

Company Secretary, V. P.-Legal & Compliance Officer  
F.C.S. 4178