

EPSILON ADVANCED MATERIALS PRIVATE LIMITED

Corporate Social Responsibility (CSR) Policy

1.BACKGROUND:

Epsilon Advanced Materials Private Limited, is one of the subsidiary companies of Epsilon Carbon Private Limited (ECPL), leading company upcoming in India equipped with modern and world's newest technology and has entered in Coal Tar production. ECPL has plants in Sambhalpur and Vijaynagar. Epsilon group firmly believes that **“the wheel of development cannot be fastened without industrial growth in any nation”**.

Industrial growth inclusive of environmental safety, employee welfare and customer-centric approach is the philosophy cherished by Epsilon. Beginning with Coal Tar production Epsilon has carved for itself a challenging route and it aims to travel a long way and enter into various new ventures to create its own unique identity in the much responsible industrial society. Essentially Epsilon firmly believes, that, public relations and corporate social responsibility twine together and go hand in hand to create sustainable impacts and good will for the Epsilon in the general public, all stakeholders as well as with its partners in business.

While, the welfare of employees, its families and the local communities displaced will always remain to be on top priority in Epsilon but is equally strongly followed by customer satisfaction and spirit for sustainable development as a preamble. The guiding principles of business ethics, Epsilon values and policy guidelines would always take first place in its board rooms, its management processes while taking any corporate decisions. Epsilon to prosper while addressing social, environmental and economic concerns of people. The public interest at large and specifically villages which comes under Direct Impact Zone (DIZ) would always get higher consideration for CSR interventions in its CSR policy.

2.INTRODUCTION:

The Company has always endeavored to conduct its business responsibly, mindful of its social accountability, respecting applicable laws and with regard for human dignity. The Company's long-term CSR objective is “to improve the quality of life of the communities we serve globally through longterm value creation for all stakeholders”, which is in alignment with the Epsilon 's Core Purpose. While we strive to deliver excellence in our business, we wholeheartedly contribute towards being a part of societal change.

The Company shall allocate at least 2% of its average net profits before taxes of the preceding three years, towards CSR activities to sustain and improve a healthy and prosperous environment and to improve the quality of life of the communities it serves. The company may also utilize its products and services as suitable for its CSR activities. Any surpluses arising out of CSR projects or programmes or activities shall be re-deployed back into CSR activities and will not form a part of the business profits of the company.

The company shall positively impact and influence its employees and partners in fostering a sense of social commitment for their stakeholders.

3.OBJECTIVE & ACTIVITIES

Objectives of Epsilon Advanced Materials Private Limited Corporate Social Responsibility activities includes: -

- (a) To eradicate hunger, poverty, and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- (b) To promote education, including special education enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- (c) To promote gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (d) To Promote renewal energy and ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air, and water.
- (e) EAMPL will work towards 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 arts and handicrafts:
- (f) EAMPL ensures training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
- (g) Its contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- (h) To systematically invest and maintain sustainable environment practices in villages of the plant's vicinity and other areas as Rural development projects.
- (i) Fund contributions to any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities, and women for CSR activities allowed in accordance with Schedule VII of the Companies Act, 2013 or amendments if any.
- (j) Any other Projects as allowed in accordance with Schedule VII of the Companies Act, 2013.

4. CSR COMMITMENTS:

Epsilon is committed to helping to enrich the quality of life by enhancing the skill and employability of all stakeholders in its area of operation.

Epsilon will create positive base and contribute constructively on a range of issues to benefit the larger society.

Epsilon encourages a nondiscriminatory, and equal opportunity policy for all its employees, partners, and stakeholders to create a safe, harmonious and an eco-sensitive society.

Epsilon, to maintain the quality work and business ethics to safeguard the environment.

Epsilon, promotes gender balance, women empowerment and strengthen the weaker sections of the society and more appropriately the girl child.

Epsilon, to comply with all public and statutory, and legal mandates from time to time and ensure smooth functioning.

Epsilon is committed to the belief that an industry cannot stand up successfully without due consideration to good and meaningful public relations.

5. WHAT MAKES EPSILON UNIQUE:

- Trustworthy (transparent, sensitive, and open)
- Integrity (reflecting on Systems, principles, and procedures)
- Engaging (enabling and empowering others to easily do sustainable actions)
- Challenging (encouraging innovation and people's priorities)
- Positive (upbeat, knowledge building, constructive and inspirational)

6. GOVERNANCE MECHANISM/ STRUCTURE:

6.1 BOARD OF DIRECTORS:

The Board of directors of the company shall have the powers:

- to approve and formulate an annual CSR action plan for Epsilon Advanced Materials Pvt. Ltd in line with the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the CSR Rules) as amended from time to time and the relevant provisions framed thereunder.

The annual action plan shall include the following:

- (a) the list of CSR projects or programmes that are approved and to be undertaken by the company
- (b) the manner of execution of such projects or programmes
- (c) the modalities of utilisation of funds and implementation schedules for the projects or

programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, based on the reasonable justification for such change

- To identify Implementing Agency and to approve ongoing CSR projects
- Get details of need and impact assessment, if any, for the projects undertaken by the company.
- Constitute a CSR committee as & when applicable and approve the CSR policy, and amendments thereof.
- Make sure the company spends, in every financial year, at least 2% of its average net profit during the three preceding financial years, in pursuance of this policy and amendments of the government rules, if any applicable.
- Monitor the Corporate Social Responsibility Activities of the Company from time to time and to exercise the powers as entrusted under the relevant provisions of the Companies Act and the CSR Rules.
- Approve and recommend changes if any in, the CSR action plan and budget in accordance with Schedule VII of the Companies Act, 2013 and in accordance with the CSR rules as applicable to company.
- Make disclosures in the Board report as per clause (o) of sub-section (3) of section 134 including particulars specified in Annexures to the CSR rules. If the company fails to spend the amount, reasons for not spending to be specified in the above report.

6.2 AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or on the recommendation of CSR committee (if applicable) can amend this policy as and when required. This CSR Policy is subject to such changes and amendments as may be notified by the Ministry of Corporate Affairs under Section 135 of the Companies Act, 2013 and rules made thereunder and the same shall be read in line with the provisions of the Act applicable to the Company from time to time.