

DEBOCK INDUSTRIES LIMITED

Introduction

At Debock Industries Limited, at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders. We directly or indirectly take up activities those benefit the communities and results in enhancing the quality of life & economic well-being of the local populace. We will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate.

CSR in India

Corporate bodies' involvement in CSR activities is not a new concept in India. Industrial majors are engaged in social development activities since long back. However, the Companies Act, 2013 has brought it under the legal purview. The concept of CSR is introduced through "Comply-or-Explain" mandate. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "the CSR Rules") lay down the framework and modalities for carrying out CSR activities which are specified in Schedule VII of the Act.

Applicability

This Policy shall apply to all the CSR initiatives and activities taken up at the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled people.

Definition

- ✚ "Act" – Act hereinafter means The Companies Act, 2013.
- ✚ "Board" – means Board of Directors of the Company.
- ✚ "CSR" – means Corporate Social Responsibility and includes but is not limited to;
 - ✚ Projects or programs relating to activities specified in Schedule VII to the Act; or
 - ✚ Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of recommendations of the 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.
- ✚ "Committee" – means the Corporate Social Responsibility Committee of the board
- ✚ "Policy" – means Corporate Social Responsibility Policy or CSR Policy.
- ✚ "Rules" – means Companies "Corporate Social Responsibility" Rules, 2014.

- ✚ Ongoing Project: Ongoing Project means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include 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.

Objective & Scope

The main objective of the CSR Policy is to lay down guidelines for (hereinafter referred to as 'the Company') to make CSR as one of the key focus areas to adhere to 's global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

For purposes of focusing its CSR efforts in a continued and effective manner, the following thrust Areas have been identified:

- ✚ Eradication of hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ✚ Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- ✚ Promotion of 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.
- ✚ 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 including contribution to the Clean Ganga
- ✚ Fund set up by the Central Government for rejuvenation of river Ganga;
- ✚ 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;
- ✚ Measures for the benefit of armed forces veterans, war widows and their dependents;
- ✚ Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- ✚ 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 Scheduled Castes,

the Scheduled Tribes, other backward classes, minorities and women;
Contributions or funds provided to technology incubators located within academic Institutions which are approved by the Central Government;

- ✚ Rural development projects;
- ✚ Slum Area Development i.e. any area declared as the term 'slum area' by the Central Government or any State Government or any other competent authority under any law for the time being in force;
- ✚ Disaster management, including relief, rehabilitation and reconstruction activities.

Composition of CSR Committee

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company. Accordingly, the constitution of CSR Committee formed by India is as follows:

DIN	Director	Designation
07883524	Kailash Brahmabhatt	Director
07900325	Arvind Rao	Director
01765408	Mukesh Manveer Singh	Managing Director

Functions and Powers of Committee

- ✚ To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:
- ✚ Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- ✚ Recommend CSR activities as stated under Schedule VII of the Act
- ✚ Approve to undertake CSR activities, if necessary, in collaboration with group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules
- ✚ Recommend the CSR Budget
- ✚ 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
- ✚ Create transparent monitoring mechanism for implementation of CSR initiatives in India
- ✚ Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- ✚ Monitor CSR Policy from time to time
- ✚ Monitor activities/charter of Internal Working and Monitoring Group (WG) who are authorized to ensure that the CSR activities of the Company are implemented effectively
- ✚ Authorize executives of the Company to attend the CSR Committee Meetings, if necessary

Meetings of the Committee

- ✚ For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;
- ✚ The CSR Committee shall hold a minimum number of one meeting in a year.
- ✚ The members of the Committee may mutually agree between them regarding time and place for the said meetings.
- ✚ The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.
- ✚ The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

CSR Spend

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

CSR Expenditure

Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. Expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

Failure to spend the CSR Money

If the Company fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

CSR Initiatives

Pursuant to Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

Annual CSR Plan

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines inter alia the following aspects of CSR initiatives of the Company:

- ✚ Project Proposals
- ✚ Targeted Beneficiaries and their key needs
- ✚ Alignment with Schedule VII
- ✚ Project Goals and milestones
- ✚ Activities and Timelines including expected closure dates
- ✚ CSR Budget with projections
- ✚ Monitoring mechanism
- ✚ Progress reporting and frequency of reports
- ✚ Risks and mitigation strategies
- ✚ Any other information as may be required by the CSR Committee

Collaboration

It is expressly allowed under the CSR Rules that the Company may collaborate with any other Company or association formed in this regard subject to approval by CSR Committee, to implement CSR activities and the same shall form a part of the Annual CSR Plan.

Reporting and publication of CSR policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

Monitoring Mechanism

An Internal Working and Monitoring Team comprising of below mentioned employees of the Company will be set up to ensure effective implementation and monitoring of the projects approved by the CSR Committee from time to time. Monitoring Team will report / give feedback to the CSR Committee for all CSR projects undertaken. Monitoring Team shall submit reports to the CSR Committee of the Company on the progress of the various projects approved by the Committee and entrusted to the Group for implementation and monitoring.

Amendment to the Policy

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.