

# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

**Secretarial & Legal**

**Version -I**



**REGD. OFFICE : NAIGAON, POST WALUJ, AURANGABAD 431 133.**

## Context

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## 1. PREAMBE

Corporate social responsibility of the Company is aligned with 'Garware' tradition of creating wealth in the community with focus on Art, Culture, Sports, health, education and safety. The management believes in the famous sayings that, '***If you want to walk fast, walk alone. But if you want to walk far, walk together***'. Hence the underlying principle is very much relevant for Corporates and their Social responsibilities, which go in hand-in-hand.

## 2. PURPOSE / BACKGROUND

Even much before the concept of Corporate Social Responsibility got legal prominence and recognition through a Statute pursuant to Sec. 135 read with Corporate Social Responsibility Policy Rules, 2014 of the Companies Act, 2013, Garware Polyester Limited (hereinafter referred to as 'the Company') was very much aware of its corporate social responsibilities and has been fulfilling the aspirations of the society through its well-defined community development programs and by funding an independent trust, which in turn has been successful in its endeavor to uplift the downtrodden of the society. This independent trust viz. Garware Charitable Trust, a trust registered under Bombay Public Trusts Act 1950, has been in existence since 1970 and has been actively contributing to the various initiatives which has helped the society in different spheres of life like; Promoting education, Promoting health care through better medical treatment, safe drinking water and sanitation facilities, women empowerment, training and promoting sports infrastructure, development etc.

In addition to our above, as our Corporate Social responsibility we actively implement projects and initiatives for the betterment of society, Communities and environment through ensuring environmental sustainability and ecological balance, protecting national heritage, art and culture and rural development projects etc.

**3. CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):**

The CSR committee of the Company is being constituted in compliance with the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014, read with Schedule VII of the Companies Act, 2013. The CSR Committee comprises of three independent directors. The meetings of CSR Committee shall be convened and held as and when required but at least four times shall be held in a financial year, having a gap not more than 4 months. Any two members present in person shall constitute a requisite quorum for such meetings. Members present shall elect the Chairman of the meeting.

**4. APPOINTMENT CRITERIA FOR CSR COMMITTEE MEMBERSHIP**

A Director, who is Non-Executive and Independent, can only be the member of the Corporate Social Responsibility Committee.

**5. WORKING OF CSR COMMITTEE**

- i) The CSR Committee shall evaluate and recommend a list of CSR projects or programs, which the Company plans to undertake and shall specify modalities of execution of such projects or programs and the implementation schedule for the same in compliance to this policy document.
- ii) The CSR committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs undertaken by the Company.
- iii) No CSR activity or program or project should be undertaken by the Company, if same is not being recommended by the CSR Committee.

**6. PROCEDURE**

- i) Any CSR activity or program or project proposed to be undertaken by the Company should be in conformity with the activities which fall within the preview of Schedule VII of the Companies Act, 2013.
- ii) Such CSR activity or program or project should be evaluated and recommended by the CSR Committee to the Board of Directors for approval.
- iii) The execution and implementation of CSR activities, program or project shall be administered by the CSR committee or by the person authorized by the CSR Committee in this behalf.
- iv) Allocation of funds to the CSR activity or program or project should be approved by the Board of Directors of the Company.



## **GARWARE POLYESTER LIMITED**

- v) The Board of Directors of the Company may decide to undertake its CSR activities recommended by the CSR Committee, through a registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013 or otherwise, provided such trust, society or the Company fulfills the conditions prescribed under rule 4 of the Companies (Corporate Social Responsibility Policy) Rules 2014.
- vi) Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.
- vii) Proper disclosure of annual report on CSR containing particulars specified in Annexure should be made in the Directors Report of the Company pertaining to the financial year commencing on or after 1<sup>st</sup> day of April 2014.
- viii) This CSR policy document shall be disclosed on the Company's web-site.

### **7. SECRETARY TO CSR COMMITTEE**

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

### **ANNEXURE**

#### **FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD REPORT**

1. A brief outline of the Company's CSR policy etc..
2. The composition of the CSR Committee,
3. Average net profit of the Company for last three financial years,
4. Prescribed CSR expenditure,
5. Details of CSR spent during the financial year
  - a. Total amount to be spent for the financial year,
  - b. Amount unspent, if any,
  - c. Manner in which the amount spent during the financial year as detailed below;

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Place, where the project is undertaken	Amount outlay	Amount Spent on the project	Cumulative expenditure up-to the reporting period	Amount spent: Direct of through implementing agency*
1							
2							
3							
<b>TOTAL:</b>							

- Details of Implementing Agency to be given.
6. Reasons for not spending the 2% of average net profits of the last three financial years.
  7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and Policy of the Company.

<b>Sd/-</b>	<b>Sd/-</b>
Director	Chairman of CSR Committee