



**DE NORA INDIA LIMITED**  
**CIN: L31200GA1993PLC001335**

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

*[Pursuant to provisions of Section 135 of Companies Act 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014]*

Effective date of Policy: October 31, 2014  
Policy is revised by the Board on: May 10, 2021

### **Registered Office:**

Plot Nos. 184, 185 & 189, Kundaim Industrial Estate,  
Kundaim, Goa – 403115

## 1. INTRODUCTION

De Nora India Limited strives to be a socially responsible Company and strongly believes in development which is beneficial to the society at large. As a corporate citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies and so on. It is the Company's intent to make a positive contribution to the society in which company lives and operates.

## 2. OBJECTIVE

The objective of this Policy is to lay down the guiding principles and mechanism for selection, implementation, monitoring and reporting of CSR activities to be undertaken as well as formulation of annual action plan of the Company which is based as per the Companies Act, 2013 and rules made there under.

## 3. SCOPE

This Policy shall be applicable to all CSR initiatives undertaken by the Company in pursuance of the requirements of Section 135 and Schedule VII of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force).

In case of any contradiction between this policy and provisions of the Companies Act, the later shall prevail. Any new provision arising out of amendments to Companies Act, 2013 or Rules made thereunder shall be construed to be a part of this policy.

## 4. CSR THRUST AREAS / FOCUS AREAS

Presently, the primary focus areas of the Company are Education and Healthcare. From time to time, the CSR Committee may identify the focus areas for undertaking CSR activities/ projects/ programs. The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, can undertake CSR activities, in following areas and subject specified in Schedule VII of the Companies Act 2013.

1. **Education** - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
2. **Hunger, Poverty, Malnutrition and Healthcare** - Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

3. Promoting 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.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, 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.
5. 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 art and handicrafts.
6. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
7. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
8. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
9. 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.
10. Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
11. Rural development projects.
12. Slum area development. Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any other State Government or any other competent authority under any law for the time being in force;

### 13. Disaster management, including relief, rehabilitation and reconstruction activities.

The above list is illustrative in nature and must be interpreted liberally so as to capture the essence. The above list of activities shall also include such activities as may be notified by the Ministry of Corporate Affairs from time to time.

## 5. ROLES AND RESPONSIBILITIES OF CSR COMMITTEE AND BOARD

- The current composition of CSR Committee is available on website of the Company: <https://india.denora.com/company/shareholder-information.html>
- The CSR Committee shall comprise of minimum 3 (three) Directors including atleast one Independent Director. The Company Secretary shall be the secretary to the Committee.
- The CSR Committee shall review the progress of CSR initiatives implemented by the Company.
- The CSR Committee is empowered recommend amendments required in the CSR Policy to the Board for their approval. The Board may subject to compliance with applicable law, at any time approve, alter and amend the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.
- The CSR Committee may at its discretion invite employees / other experts as per its requirements from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in implementation of the CSR policy.
- On the recommendation of the CSR Committee, the Board shall approve the allocation of the CSR Expenditure on the CSR Activities and to the extent possible, shall give priority to the local areas wherever the Company has its operations.
- The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer (CFO) or the person responsible for financial management of the Company shall certify to the effect.
- In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- The Board shall ensure that the Company, treats the CSR excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- The Board may dissolve the CSR Committee in accordance with the provision of the Act, and the functions of such Committee provided under the Act and this policy shall in such case, be discharged by the Board of Directors of the Company. The Board shall reconstitute the CSR

Committee as and when required inter alia, to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements.

## **6. CSR BUDGET AND EXPENDITURE**

The Budget provision towards CSR activities in each financial year will be decided by the Board based on the recommendation of the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. Subject to applicable provisions of the Act, the Board shall ensure that Company spends towards CSR activities in every financial year at least 2% (two percent) of the average net profit of the Company made during the three immediately preceding financial years calculated in terms of Section 198 of the Companies Act 2013.

Any amount remaining unspent, fulfilling such conditions as may be prescribed, shall be transferred and treated in the manner prescribed under the Companies Act, 2013 and the Rule made thereunder, as amended time to time.

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

If Company fails to satisfy the eligibility criteria prescribed under Section 135(1) of the Act for three consecutive financial years, it will not be required to comply with the provisions of this CSR Policy till such time it meets the criteria again.

## **7. ANNUAL ACTION PLAN**

The CSR Committee shall formulate and recommend to the Board an annual action plan for spending the prescribed CSR budget which shall include:

- (i) the list of CSR projects or programmes that are approved to be undertaken
- (ii) the manner of execution of such projects or programmes.
- (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes.
- (iv) monitoring and reporting mechanism for the projects or programmes; and
- (v) details of need and impact assessment, if any, for the projects undertaken by the Company

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

## **8. IDENTIFICATION OF CSR PROJECTS**

Upon receipt of proposals, the CSR Committee shall examine them and recommend to the Board, the CSR activities/ projects to be undertaken by the Company in line with CSR policy of the Company. The CSR Committee shall to the extent possible shall review the CSR projects based on following criteria.

- (i) Alignment of the proposed project with the CSR policy of the Company.
- (ii) Existence of real need of financial assistance by the proposed project.
- (iii) Track record of the organization for the past 3 (three) years in the area of project activity.
- (iv) Integrity and capability of the organisation in administering the program in fair and transparent manner.
- (v) Detailed budget indicating various heads under which expenditure is proposed to be made along with implementation timelines.
- (vi) Impact or measure results expected from the proposed CSR activities
- (vii) Any other information that may be material for the Company to make an informed decision on supporting the project.

## **9. CSR IMPLEMENTATION**

The Committee shall ensure that CSR projects, programs or activities are implemented as approved by the Board. The CSR activities may be implemented either directly by the Company or through implementing agencies like trust, society or Company established under Section 8 of the Act, which meet the criteria specified in the Act and Rules made thereunder. The Company may also collaborate with other companies to undertake CSR projects, provided the CSR Committees of the respective companies are able to report separately on such projects.

The Company will encourage and recognize its employees for volunteering with the spirit of serving and sharing with the community. The Company shall endeavour to increase employee participation by encouraging employees to participate in the Company's CSR initiatives. The CSR Committee shall provide guidance on the allocation of the CSR budget among the thrust areas on an annual basis and seek approval from the Board.

## **10. MONITORING**

The CSR committee shall monitor and review on regular basis or as and when required, the CSR projects, programs or activities undertaken by the Company through field visits, fund utilisation reports / certificates etc., wherever possible to ensure that implementation of CSR activities in accordance with CSR policy of the Company.

## **11. REPORTING**

- (i) Periodical Reports detailing the projects undertaken, implementation status, utilisation of funds, outcome/impact of the projects and such other details shall be placed before to CSR committee and the Board.
- (ii) The Board's Report of the Company shall also include an annual report on CSR containing particulars as prescribed under the Act and the Rules made thereunder, as amended time to time.
- (iii) The Composition of the CSR Committee and CSR Policy and Projects approved by the Board shall be disclosed on the website of the Company.

## 12. GENERAL

- (i) Activities that are undertaken by the Company in pursuance of its normal course of business will not be considered as CSR activities.
- (ii) The administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- (iii) The Company shall not make any payment directly or indirectly to political party (ies) for CSR Activities.
- (iv) The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this CSR Policy.

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