

Vijay Solvex Limited

Corporate Social Responsibility Policy

CSR POLICY AS RECOMMENDED BY CSR COMMITTEE AND APPROVED BY THE BOARD OF DIRECTOR OF "VIJAY SOLVEX LIMITED" ON 30.05.2014.

Background

At the outset, CSR activities at Vijay Solvex Ltd is already in existence for the benefit of the employees and their immediate family members in the areas of extending loan to employees, participation at festivals and best worker award etc.

It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.

Further, CSR makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

Objective

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Vijay Solvex Ltd *will act as a good corporate citizen* and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

Measures

In the aforesaid backdrop, policy on CSR of Vijay Solvex Ltd is broadly framed taking into account the following measures:

The CSR activities for financial year 2014 -15 shall be undertaken by Vijay Solvex Ltd through collaboration with MANAV VIKAS SOCIETY (MVS, a society registered under the Societies Registration Act is engaged in establishing school, colleges, hostel for children and provides them with modern education in all the areas of life.

The CSR activities which are exclusively for the benefit of Vijay Solvex Ltd employees or their family members shall not be considered as CSR activity for the purpose of compliance of provisions of Companies Act 2013.

The Board of Vijay Solvex Ltd may decide to undertake its CSR activities as recommended by the CSR Committee, through other registered society pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Vijay Solvex Ltd plans to undertake pursuant to Schedule VII of the Companies Act, 2013 in future:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. elderly, and the differently promoting education, including special education and employment enhancing vocation skills especially among children, women, abled and livelihood enhancement projects;
3. promoting 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;
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 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 arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
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 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;

9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. rural development projects;
11. Slum area development
12. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

However, the Company may contribute to trust, Society or Company which is not established by Company or its Holding or Subsidiary or Associate Company and have an established track record of three years in undertaking similar programmes/projects as mentioned above.

Organizational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board (“CSR Committee”) consisting of three or more directors, out of which at least one director shall be an independent director.

The Role of CSR Committee shall be –

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company’s website , ensure that the activities as are included in the CSR Policy of the company are undertaken by the company and ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years.

Partnerships

Collaborative partnerships are formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

If the Company is unable to spend the CSR Budget as mentioned above, the CSR Committee will review the reasons for the same and place the same with justification to the Board.

The Company will report reasons for not spending the entire CSR Budget allocated in any financial year.

To comply with its obligations, the CSR Committee may also decide to contribute the amount of the CSR Budget, either wholly or partially, towards any foundation provided under Schedule VII (as amended from time to time), as may be approved by the Board.

Information dissemination

The Company's engagement in this domain is disseminated on its website, annual reports as and when deem fit.

Disclosures of CSR Policy, expenditure and other matters incidental to CSR under the provisions of Companies Act, 2013 and CSR Rules:

- (i) The Board Report of the company shall provide an annual report on CSR containing particulars as specified under the Companies Act 2013 and the reasons for not spending the amount as required under the Act, if any along with details about the policy developed and implemented by the company on Corporate Social initiatives taken during the year.
- (ii) The Financial Statement of each year shall also disclose about the composition of the CSR Committee, average net profit for the last three years, prescribed CSR expenditure, details of CSR spending during the year and a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance of CSR objectives and Policy of the company.
- (iii) Display of the contents of the Policy in the manner provided under the Act and rules made thereunder on the website, if any.

Management Commitment

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Monitoring

The CSR Projects shall be monitored at various levels as follows:

At the Board Level

The Board shall review, once in a year, the CSR initiatives of the Company including amount spent thereon.

At the CSR Committee Level

The CSR Committee will be monitoring the CSR Policy on a half yearly basis and among other agenda shall consider the following:

- Monitoring the utilization of funds towards approved CSR Activities
- Define and review targets for the CSR commitments and performance .
- measures
- Evaluate actual CSR performance and impact such activities are making on the people, society and environment
- Corrective measures to be taken to rectify deviations (if any)

The members of the CSR Committee may also undertake the following activities, whenever it deems necessary for effective discharge of its responsibilities:

- Field visits to Project / Programme sites; and
- Interaction with beneficiary communities to obtain feedback.

Update

CSR Committee of Board of Vijay Solvex Ltd will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Compliance with Companies Act, 2013

Our Corporate Social Responsibility policy conforms to the Section 135 of the Companies Act, 2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India.