



CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of BDH Industries Limited ("the Company") was constituted by the Board of Directors.

The composition of the said Committee comprises of four directors:-

1. Ms. Jayashree Nair, Chairperson
2. Mr. S. C. Kachhara, Member
3. Mr. Bhagirath Singh, Member
4. Ms. Karthika Nair, Member

OBJECTIVE

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto. Our aim is to be a respected corporate citizen in India, delivering superior and sustainable value to all our customers, business partners, shareholders and employees.

Corporate Social Responsibility [CSR] is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

CSR VISION

The Company's CSR philosophy is 'Do Good to Do Well and Do Well to Do Good'. BDH Industries Limited aims to be responsible and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry, and society at large.

CSR has effectively evolved from being engaged in passive philanthropy to corporate community investments, which takes the form of a social partnership initiative creating value for stakeholders.

The Company's CSR activities is an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

SCOPE

This Policy shall apply to all CSR projects/programs /activities undertaken by the Company in India as per Schedule VII of the Act.



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CIN : L24100MH1990PLC059299

DEFINITIONS

- 1. Corporate Social Responsibility (CSR)** means and includes but is not limited to: Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
- 2. CSR Committee (CSRC)** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- 3. CSR Policy (CSRP)** relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
- 4. Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198)

ROLE OF THE CSR COMMITTEE

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
2. Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
3. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company
4. Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
5. Monitor the implementation of the CSR Policy from time to time.
6. Such other functions as the Board may deem fit.

ROLE OF THE BOARD

1. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
2. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
3. The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities.



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4. Ensure that in each financial year the Company spends amount on CSR activities as calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.

5. As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

REVISED SCHEDULE VII :

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) 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;
- (iv) 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 Central Government for rejuvenation of river Ganga;
- (v) 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;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) 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;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects.
- (xi) slum area development.
- (xii) disaster management including relief, rehabilitation and reconstruction activities.



CSR Activities:-

- (1) The CSR activities shall be undertaken by the Company, as per its stated CSR Policy, as projects or programs or activities (either new or on-going), excluding activities undertaken in pursuance of its normal course of business.
- (2) The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee

Provided that –

- (i) if such trust, society is not established by the Company or its Holding or Subsidiary or Associate Company, it shall have an established track record of three years in undertaking similar programs or projects;
 - (ii) the Company has specified the project or programs to be undertaken through these entities, the modalities of utilisation of funds on such projects and programs and the monitoring and reporting mechanism.
- (3) The Company may also collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programs in accordance with the rules.
 - (4) Subject to provisions of Sub-Section (5) of Section 135 of the Act, the CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.
 - (5) The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with Section 135 of the Act.
 - (6) Company may build CSR capacities of its own personnel as well as those of its Implementing Agencies through Institutions with established track records of at least three financial years including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the Company in one financial year.
 - (7) Contribution of any amount directly or indirectly to any political party under Section 182 of the Act, shall not be considered as CSR activity.

The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

CSR ACTIVITIES FOR IMPLEMENTATION

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.



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CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place. The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

CSR EXPENDITURE

The CSR activities undertaken in India only shall amount to CSR Expenditure. CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

DISCLOSURE OF THE POLICY

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and there shall be yearly disclosure in the Board's report.

FREQUENCY OF MEETINGS

The meetings of the Committee shall be held as may be required from time to time.

QUORUM

Minimum two (2) members shall constitute a quorum for the Committee meeting.

SECRETARY

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

MINUTES OF THE COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairperson of the Committee and tabled at the subsequent Board and Committee meeting.

MISCELLEANOUS

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.



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