



## **COPRPORATE SOCIAL RESPONSIBILTY OF GINZA INDUSTRIES LIMITED**

*[Pursuant to Section 135 of the Companies Act, 2013]*

Ginza Industries Limited has formulated Corporate Social Responsibility Policy pursuant to Section 135 of the Companies Act, 2013.

Key words & meanings

**Act-** means the Companies Act, 2013 as amended from time to time.

**CSR-** means Corporate Social Responsibility

**CSR Policy-** means the policy approved by the board as the Corporate Social Responsibility policy of the company as amended from time to time.

**CSR Rules or Rules** – means Companies (Corporate Social Responsibility Policy) Rules 2014.

**CSR Committee-** CSR Committee means the committee of the board constituted in terms of Section 135 of the Companies Act, 2013 read with Rule 5 of the rules.

### **POLICY OBJECTIVES:**

The objective of the CSR Policy (“Policy”) is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility (“CSR”) within the meaning of Section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014 (“Rules”).

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

### **RESPONSIBILITY OF THE BOARD OF DIRECTORS:**

The Board is responsible for:

1. Approving the CSR policy as formulated by the CSR Committee, subject to necessary changes/ modifications as the Board may deem fit.
2. Ensuring that in each financial year the Company spends atleast 2% of the average net profit before taxation made during the three immediate preceding financial years in accordance with the provisions of Section 135 of the Act and the rules notified thereunder.
3. Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively.
4. Disclosing in its annual report the names of CSR Committee members, the consent of the CSR policy and ensure annual reporting of its CSR activities on the Company website. Any other acts, deeds and things as may be required under law from time to time.

### **ROLE OF THE COMMITTEE INCLUDES:**

1. Draft the CSR policy and recommend the same to the Board for approval.
2. Review and recommend any new CSR initiatives to be taken up by the company including the selection/ appointment of implementation agencies.
3. Review the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects.
4. Review and recommend the CSR report to be included in the board's report.
5. Review and recommend any amendments to be made in the CSR policy of the Company.
6. To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.
7. Monitoring CSR activities from time to time.

### **PROJECT IDENTIFICATION AND SELECTION CRITERIA:**

1. Project to be undertaken shall be in line with Section 135 read with Schedule VII of the Act and the rules made thereunder.
2. For selection of any project, the scope, vicinity of Company operations/ projects, environmental impact, cost, timelines, sustainability, visibility of the Company and other relevant factors need to be evaluated.

3. CSR officer shall submit a detailed proposal before the CSR Committee for consideration regarding the projects and selection of partner agency/ NGO's to implement the project(s). The CSR Committee, after due evaluation of the projects and competency, cost, credibility etc. of implementing agency/ NGOs, will take the decision regarding the recommendation to be made to the Board.
4. The company may undertake one or more projects or programs or activities provided in the policy either as its own or through any implementation agency. It can also acquire the services of experts in respective fields by appointing them as consultants in a particular program or project.

#### **FOCUS AREA:**

Being the first year for implementation of CSR activity the committee recommends for focusing on areas which are socially important and relevant for the society. It want to think and plan activity which are not only restricted to Schedule VII.

1. **Hunger, Poverty, Malnutrition and Health**- Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
2. **Education**- Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc; with the objective of assisting students in their studies.
3. **Rural Development Projects**- Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.
4. **Gender Equality and Empowerment of Women**- Promoting gender equality and empowering women, setting up homes, hotels and day care centres for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
5. **Environment Sustainability**- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining the quality of soil, air and water.



6. **National Heritage, Art and Culture-** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.
  
7. Employee participation is an important part of developing responsible citizenship. Our company will encourage and motivate employees to spend time volunteering on issues of social interest.

**APPLICABILITY:**

The policy shall be applicable to all CSR activities of the company whether carried by it or through any implementation agency.

**SURPLUS ARISING OUT OF CSR:**

Surplus arising out of any CSR project or program or activities shall not form part of the business profit of the company.

**AMENDMENT OF POLICY:**

The CSR policy of the company may be amended at any time by the board of the company on the recommendation of the CSR committee.

**CSR COMMITTEE:**

We have CSR Committee that provides oversight of CSR Policy execution to ensure that the CSR objectives of the Company are met. Our CSR Committee comprises:

1. Mihir Mehta, Independent Director
2. Ashok Kumar Sethia, Chairman & Managing Director
3. Manoj Kumar Sethia, Jt. Managing Director

**DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:**

(Rupees in lakhs)

Particulars	Amount
Average net profit of the company for last three financial years	598.15
Prescribed CSR Expenditure (2% of the average net profit as computed above)	11.96
Details of CSR Expenditure during the financial year:	
● <i>Total Amount to be spent for the financial year</i>	11.96
● <i>Amount spent</i>	6.50
● <i>Amount unspent*</i>	5.46

*\*Being the first year of Company for conducting CSR Activity, Company was trying for opportunities to spend on CSR Activity. The Company has found the project and is doing CSR activity with Smile Foundation.*

The manner of amount spent during the financial year is detailed below:

CSR Project/ activity/ beneficiary	Sector	Location of the project/ program	Amount outlay (Budget)	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent direct/ implementing agency
The Synthetic & Art Silk Mills' Research Association	Improving quality of Education	Mumbai	2,00,000.00	2,00,000.00	2,00,000.00	Direct
Iskon	Facilities for senior citizens	Mumbai	4,50,000.00	4,50,000.00	4,50,000.00	Direct

**\*Education is a fundamental human right and vital for achieving economic growth, increasing income and sustaining a healthy society. Education is important in helping to improve lives, break the cycle of poverty and ensure that all people, particularly women have control over their destiny. With this aim your Company will be providing education to**



**500 under privileged girl child and have already associated with Smile Foundation for taking this initiative and has already spent the amount which was pending as on March 31<sup>st</sup>, 2015.**

**Brief about the Smile Foundation**

Smile Foundation is a national level development organization directly benefiting over 300,000 children and their families every year, through 158 welfare projects on education, healthcare, livelihood and women empowerment, in more than 700 remote villages and slums across 25 states of India. Children, their families and the community become the target group for Smile Foundation's activities as child education cannot be done in isolation and nothing else but education for children can bring long lasting change in the society.

**Our CSR Responsibilities:**

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

For **Ginza Industries Limited**

Sd/-

Sd/-

Ashok Kumar Sethia  
Chairman & Managing Director

Mihir Mehta  
Chairperson, CSR Committee