

# FINEOTEX CHEMICAL LIMITED

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### 1. CONCEPT:

#### SHORT TITLE & APPLICABILITY:

- This policy, which encompasses the company's philosophy for outlining its social responsibility lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the "Fineotex Chemical Limited CSR Policy". (Fineotex CSR Policy)
- This policy shall apply to all CSR initiatives and activities taken up for the benefit of different segments of the society.

#### CSR VISION STATEMENT & OBJECTIVE:

- In alignment with vision of the Fineotex Chemical Limited (Fineotex), through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a Socially Responsible Corporate.
- The objective of the Fineotex CSR Policy (FCP) is to:
  - Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
  - To directly or indirectly take up programmes that benefit the communities & results, over a period of time, in enhancing the quality of life & economic well-being of the local public.
  - To directly or indirectly take up programmes that benefit the communities & results, over a period of time, in enhancing the availability of health care services, medical and relief camp, blood donation camps and creation of blood banks providing health facilities in rural and urban poor population
  - To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

## **2. RESOURCES**

### **FUNDING:**

- The Company shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years.
- Any surplus arising out of CSR Activities shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR activities only.

### **ALLOCATION:**

From the annual CSR Budget allocation, a provision will be made towards the following expenditure heads, on a year on year basis as may be decided by the Corporate Social Responsibility Committee (CSRC) of the Company in line with the Guidelines Given by the Government of India from time to time in this area.

## **3. PLANNING**

### **IDENTIFICATION OF AREAS AND STRATEGIC INITIATIVES:**

For purposes of focusing its CSR efforts in a continued and effective manner, the CSRC would decide from time to time identify the areas and also make strategic initiatives in activities which forms part of CSR as per Schedule VII of the Act, 2013 (the “Act”) as amended from time to time. (Collectively referred to as “CSR Activities”)

## **4. IMPLEMENTATION:**

- CSR programmes will be undertaken by CSR Committee comprising of following members:-
  - Mr. Surendrakumar Tibrewala, Chairman
  - Mr. Sanjay Tibrewala

➤ Mr. Manmohan Mehta

- The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- The process for implementation of CSR programmes will
  - following :
    - a. Need identification Studies by professional institutions/agencies
    - b. Internal need assessment by cross-functional team at the local level
    - c. Receipt of proposals/requests from District Administration Municipal Body /local Govt. etc.
    - d. Discussions and request with local representatives/Civic bodies/Citizen's forums
  - **Area of CSR activities:** CSR works being focussed in the areas as CSRC may decide.
  - **Project based approach:** CSRC will follow a project based accountability approach to stress on the long term sustainability of CSR projects, where its action plan will be distinguished as '*Short-term*,' *Middle-Term* & *Long Term*; qualified as
    - Short Term – 6 months to 1 year
    - Medium Term – 1 year to 2 years
    - Long Term – 2 year and above –'*Flagship programmes*'.
  - **Powers for approval**
    - a. CSR programmes as may be identified by the CSR Committee of the Board and ratified by the Board of Directors.
    - b. For meeting the requirements arising out of immediate & urgent situations, Mr, Surendrakumar Tibrewala & Mr. Sanjay Tibrewala are authorised to approve proposals in terms of the empowerment accorded to them by the CSR Committee
  - **Executing agency/Partners**

CSRP will seek to identify suitable programmes for implementation in line with the CSR objectives of the Company and also benefit the stakeholders and the community for which those programmes are intended. These works would be done through other recognized agencies as the CSRC may decide.

➤ **Criterion for identifying Executing agency:**

While identifying programmes the CSR Committee will also identify the external agency who would execute the said programme. In case of programme execution by such agency the following minimum criteria need to be ensured:

- a. The agency has a permanent office / address in India;
- b. The agency is a registered society under Societies' Registration Act;
- c. Possesses a valid Income-tax Exemption Certificate;
- d. The antecedents of the NGO / Agency are verifiable/subject to confirmation

Once the programmes approved by the CSRC it will be required to be entered into an agreement with each of the executing/implementing agency.

## **5. MONITORING AND FEEDBACK**

- To ensure effective implementation of the CSR programmes a monitoring mechanism will be put in place by the CSR Committee. The progress of CSR programmes under implementation will be reported to CSR Committee on quarterly basis.
- The CSR department at the corporate office will conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes.
- Appropriate documentation of the Fineotex CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
- CSR initiatives of the Company will also be reported in the Annual Report of the Company.

## 6. GENERAL

- In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Chairman of the CSR Committee shall be final.
- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Ministry from time to time.
- The Board/CSR Committee reserves the right to modify, add, or amend the CSR Policy.
- The Company shall not make any payment to any political party/ies under the CSR Payments.
- The Company shall not implement any Projects / Programs or activities that benefit only the Employees of the company and their families, however any projects / programs as may be implemented by the Company from time to time pursuant to its CSR Policy, the benefits thereof can extend to the employees.
- The Company being incorporated in the India and is operating in India, it is proposed that the CSR projects / Programs shall be exclusively carried out in India only and primarily in the economic vicinity of your Company's operations with a view to ensuring the long term sustainability of such interventions.

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23<sup>rd</sup> September, 2014