

**DORF-KETAL CHEMICALS INDIA
PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY
POLICY**

CORPORATE SOCIAL RESPONSIBILITY POLICY

PREFACE

Title	Corporate Social Responsibility Policy
Version No.	1
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Our Vision

Empowering Lives, Building a Better India: The Dorf Ketal Chemicals CSR Vision

Dorf-Ketal Chemicals India Private Limited, a Certified Responsible Care® company, is committed to being a catalyst for positive change. We envision a society where the underprivileged have the opportunity to reach their full potential.

Our Mission

Empowering Communities, Transforming Lives through Innovation.

- Transform Lives: We focus on impactful initiatives that empower underprivileged communities, particularly children, women, elderly, and vulnerable groups, by supporting education, skill development, and livelihood creation programs.
- Sustainable Development: We believe in responsible growth and strive to promote environmental sustainability through ecological balance initiatives.

Applicability:

This CSR policy is applicable to all CSR activities undertaken by Dorf Ketal across its various locations in India. The policy aligns with the principles outlined in Section 135 of the Companies Act, 2013, and applies to entities covered under sub-rule (1) of Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014. The initiatives are aimed at benefiting different segments of society, in accordance with the guidelines specified in Schedule VII of the Companies Act, 2013, and its subsequent amendments.

Additionally, this policy has been formulated in accordance with CSR Voluntary Guidelines by the Ministry of Corporate Affairs, ISO 26000 - Guidance on Social Responsibility, International Institute of Sustainable Business (IISD), and the requirements of the Business Responsibility and Sustainability Reporting (BRSR).

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Our Value:

The corporation strives for excellence in implementation, focusing on the activities listed below (as prescribed in the Act):

1. **Service:** Our primary goal is to help people in need and to address social problems.
2. **Social Justice:** We challenge social injustice.
3. **Dignity and worth of the person:** We respect the inherent dignity and worth of the person.
4. **Importance of human relationships:** We recognize the central importance of human relationships.
5. **Integrity:** We behave in a trustworthy manner.
6. **Competence:** We practice within our areas of competence and develop and enhance our professional expertise.

Our CSR initiatives are aligned with the following Global Sustainable Development Goals (SDGs):

- a) SDG 1: No Poverty: Alleviating poverty through initiatives such as livelihood enhancement projects for children, women, the elderly, and differently abled individuals, supporting rural development projects that enhance the quality of life.
- b) SDG 2: Zero Hunger: Combating hunger and malnutrition through initiatives focused on food security, improve nutrition.
- c) SDG 3: Good Health and Well-being: Promoting preventive healthcare to ensure healthy lives and promote well-being for all at all ages. training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports.
- d) SDG 4: Quality Education: Supporting education initiatives, including special education, vocational skills development, and livelihood enhancement projects for children, women, the elderly, and differently abled individuals.
- e) SDG 5: Gender Equality: Promoting gender equality, empowering women, setting up homes and hostels for women and orphans.
- f) SDG 6: Clean Water and Sanitation: Ensuring access to clean and safe drinking water, as well as promoting sanitation and hygiene practices.
- g) SDG 10: Reduced Inequality: Working towards setting up old age homes, day care centers and other facilities for senior citizens as well as measures for reducing inequalities among socially and economically disadvantaged groups.
- h) SDG 11: Cities and Communities: Protecting national heritage, art, and culture, including the restoration of buildings, sites of historical importance, and works of art, setting up libraries, promotion and development of traditional arts and handicrafts.
- i) SDG 13: Climate Action: Contributing to environmental sustainability, and mitigate the impacts of climate change on soil, air and water quality.
- j) SDG 15: Life on Land: Protecting, restoring, and promoting ecological balance, agroforestry, animal welfare, protection of flora and fauna and conservation of natural resources.
- k) SDG 17: Partnerships to Achieve the Goal: Collaborating and contributing to

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national initiatives such as the Prime Minister's National Relief Fund and other central government funds for socio-economic development, relief, and welfare of marginalized communities, including Scheduled Castes, Scheduled Tribes, other backward classes, minorities, and women.

Governance and Management:

The CSR Committee should consist of at least three directors, as mandated by the Companies Act 2013. The Board of Directors or the CSR Committee has the authority to delegate necessary powers for the execution and implementation of the CSR Policy. This delegation should be clearly defined and documented to ensure accountability. The CSR Committee will consist of the following directors:

1. Mr. Subodh Menon, Founder and Vice Chairman
2. Mr. Pramod Menon, Director
3. Mr. Yogesh Ranade, Director

Responsibilities of the CSR Committee:

The Company shall constitute a Corporate Social Responsibility Committee of the Board to fulfil the following responsibilities:

- a. The CSR Committee shall establish a seamless decision-making structure for CSR, ensuring alignment with organizational goals.
- b. In collaboration with the Board, the committee shall implement a comprehensive CSR business plan, outlining project specifics and resource allocation.
- c. Setting measurable targets, the committee shall engage employees and stakeholders to track and enhance CSR progress effectively.
- d. The CSR Committee shall design training programs, addressing problematic behavior to ensure ethical standards in CSR initiatives.
- e. The CSR Committee shall identify and choose areas for CSR initiatives, overseeing the company's CSR objectives in collaboration with the Board.
- f. The CSR Committee shall present recommendations for specific activities to the Board, with the Board of Directors obligated to approve these activities.
- g. The CSR committee shall conduct a comprehensive examination of existing CSR commitments within the industry, engage in discussions with major stakeholders to collect insights and expectations, establish a working group to formulate specific CSR commitments, and draft an initial CSR commitments document, seeking feedback from affected parties.

To ensure compliance, the activities undertaken by the Company shall strictly avoid prohibited actions according to CSR Rules. Prohibited activities shall include those conducted in the normal course of business, activities outside India, political contributions under section 182, initiatives benefiting employees as defined in section 2(k) of the Code of Wages, 2019, sponsorships for marketing benefits, and activities carried out to fulfil other statutory obligations.

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To achieve desired targets, CSR initiatives shall be aligned with specific government programs, ensuring no duplication with existing government projects. During the planning phase, the exploration of local available resources for leverage shall be emphasized to enhance the effectiveness and sustainability of CSR initiatives.

The CSR Committee, in fulfilling its responsibilities, shall directly report to the Board, ensuring compliance with statutory obligations. It will present the draft annual report for Board review. Additionally, the committee shall oversee the display of the CSR Policy, committee composition, and approved projects on the Company's website, promoting transparency and accountability.

Implementation of CSR initiatives:

Dorf Ketal adopts a multi-faceted approach to implement CSR initiatives, ensuring effective contributions aligned with its commitment to societal well-being. The following streamlined strategies depict the company's dedication to impactful CSR execution:

In-House Teams:

- a. Direct implementation by leveraging internal resources and teams for hands-on project execution within defined policy areas.
- b. Employing in-house non-profit foundation, trusts, societies, subsidiaries, and external expert agencies for diversified and specialized project execution.

Selection Criteria for Partners:

- a. Rigorous selection criteria for external partners, ensuring a track record of at least three years for NGOs, Trusts, and Section 8 Companies (registered as a Non-Profit Organization or a Non-Governmental Organization).

We indirectly implement our CSR projects through eligible NGOs and some cases we implement directly through our CSR Dept. Any surplus arising out of CSR activities will be reinvested in CSR initiatives and shall not form part of the business profit of the company.

Fund Allocation:

Dorf Ketal adheres to a comprehensive funding, selection, and monitoring process, aligning with the guidelines stipulated by the Act. The company ensures effective utilization of its CSR budget through the following steps:

- a. **Annual CSR Budgeting:** The Board shall allocate a dedicated annual CSR budget in accordance with the statutory requirement, considering at least 2% of the average net profits made during immediately preceding three financial years.
- b. **CSR Annual Action Plan:** The CSR Committee shall formulate a detailed CSR Annual Action Plan, encompassing identified projects, expenditure allocation, and implementation schedules. The Board approves the total expenditure outlined in this plan.
- c. **Unspent Amount Management:** In the event of non-utilization of the minimum 2%, unspent amounts shall be transferred to funds specified in Schedule VII of the Act,

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following the designated timelines. Ongoing project-related unspent amounts are directed to a designated 'Unspent CSR Account.'

- d. **Expenditure Review:** The Chief Financial Officer (CFO) shall certify the details of fund utilization, and the Board receives a comprehensive review of disbursal during periodic reviews.
- e. **Excess Expenditure Set-Off:** Any amount spent in excess can be set off against the requirements for the immediate succeeding three financial years, subject to Board resolution.

Monitoring:

The Board of Directors, through the constituted Corporate Social Responsibility (CSR) Committee, shall play a proactive role in shaping and overseeing CSR initiatives. The committee, entrusted with formulating and recommending the CSR policy and annual action plan, shall ensure that the allocated funds are strategically utilized, aligning with Board approvals. A key aspect of their responsibility is the approval of the CSR projects' annual report, adhering to the prescribed format and guidelines.

Furthermore, the CSR committee shall diligently monitor the progress of the annual action plan and multi-year programs, assessing their execution modalities, fund utilization, and impact assessment details. The Board shall ensure transparent communication of unspent funds, if any, by disclosing reasons in the Annual Report. The Chief Financial Officer (CFO) shall certify the alignment of fund utilization with Board approvals, enhancing financial accountability.

To guarantee effective implementation and regular scrutiny, a three-tier monitoring structure shall be in place. The Management Review Committee, overseeing quarterly progress reports, shall actively participate in the oversight process alongside the CSR Committee and dedicated CSR teams at corporate offices and manufacturing plants.

Evaluation:

Regularly assess CSR performance, identify avenues for ongoing enhancement, and involve stakeholders in the evaluation process to garner diverse perspectives.

Reporting and Communication:

The company shall consistently evaluate and ensure the performance of CSR initiatives aligns with predetermined targets. Engaging proactively with stakeholders, the company shall collect feedback and insights. The CSR team will report the progress of CSR work to the CSR Committee monthly or as directed by the committee. Annually, a detailed CSR performance report shall be compiled, fostering transparency and accountability. This comprehensive report shall be widely disseminated among stakeholders and made publicly accessible on the Company's website.

Review:

The CSR Committee will review the CSR programs quarterly and the Board will review overall CSR programs on timely basis. The Board holds the authority to amend the policy, and its decisions are conclusive. The Policy is subject to continuous evaluation and will be updated as necessary.

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Effective from Date:

The Policy is effective as of 27.07.2024

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