

DYNAMIC CABLES LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

INTRODUCTION:

Dynamic Cables Limited (the “Company”) has formulated Corporate Social Responsibility Policy (“Policy”) in consonance with Section 135 and Schedule VII of the Companies Act, 2013 (“the Act”) and in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rules) as amended from time to time.

CSR VISION:

Corporate initiative to assess and take responsibility for the company’s effects on the environment and impact on social welfare

CSR MISSION STATEMENT:

- Create meaningful and long lasting impact on the society at large with minimal resource for economic development.
- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company’s profits for social projects.
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting

OBJECTIVE:

The Key Objectives of the Corporate Social Responsibility Policy would be:

- To lay down guidelines for undertaking CSR initiatives for making sustainable growth along with sustainable development of society.
- To directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
- To prepare list of activities, programmers and projects to be undertaken during the implementation year, specifying modalities of execution and implementation schedules for the same.

DEFINITIONS:

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

“**Board**” means the Board of Directors of the Company.

“**Company**” means ‘Dynamic Cables Limited’.

“**CSR**” means Corporate Social Responsibility.

“**CSR Committee**” means Corporate Social Responsibility Committee of the Company constituted by the Board.

“**CSR Rules**” means Companies (Corporate Social Responsibility Policy) Rules 2014 and amendments thereon.

“**CSR Policy**” means this Policy.

“**CSR Expenditure**” means the amount recommended by the CSR Committee to be incurred on the CSR Activities in terms of the Act and the CSR Rules as approved by the Board from time to time.

“**Net profit**” shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.

“**NGO**” means non-governmental organization.

“**Administrative overheads**” means the expenses incurred by the Company for ‘general management and administration’ of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

“**Ongoing Project**” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

“**Public Authority**” means ‘Public Authority’ as defined in clause (h) of section 2 of the Right to Information Act, 2005

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

CSR COMMITTEE:

The Corporate Social Responsibility Committee (CSR Committee) is the governing body that will articulate the scope of CSR activities for the Company and ensure compliance with the CSR Policy.

The CSR Committee shall consist of the following directors:

1. Mr. Rahul Mangal, Chairman
2. Mr. Ashish Mangal, Managing Director
3. Mr. Ashok Kumar Bhargava, Independent Director

Responsibility of the CSR Committee:

- Formulate and recommend to the Board the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII
- Recommend the amount of expenditure to be incurred on the CSR activities
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

CSR ACTIVITIES

The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

- i. Eradicating hunger, poverty & malnutrition, promoting health care including preventive health care & sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation & making available safe drinking water;
- ii. Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centers & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agroforestry, conservation of natural resources & maintaining quality of soil, air & water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

- v. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up public libraries; promotion & development of traditional arts & handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows & their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports & Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
- x. Rural development projects;
- xi. Slum area development;

Explanation.— For the purposes of this item, the term slum area shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- xii. Disaster management, including relief, rehabilitation and reconstruction activities.

The Above list is illustrative not exhaustive. All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society and comes under the purview of Schedule VII of Companies Act, 2013 and rules made thereunder, amended from time to time.

CSR EXPENDITURE:

- The Board of the Company shall ensure that the Company spends, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years.
- The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.
- If the Company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount and unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- If the Company spends an amount in excess of the requirements, the Company may set off such excess amount for such number of succeeding financial years and in such manner, as may be prescribed.
- Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by the Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the “Unspent Corporate Social Responsibility Account”, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

CSR IMPLEMENTATION:

The Board shall ensure that the CSR activities are undertaken by the Company itself or through:

- a Company established under section 8 of the Companies Act, 2013, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the Company, either singly or along with any other Company, or
- a Company established under section 8 of the Companies Act, 2013, or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

- Every entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

ROLE OF BOARD:

The Board of Directors of the Company will be responsible for:

- Approval of the CSR Policy of the Company after taking into account the recommendations made by the Corporate Social Responsibility Committee
- Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with the CSR Rules.
- Ensuring that the activities as are included in the Policy of the Company are undertaken by the Company.
- The Board of the Company shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years.

MONITORING AND REPORTING

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time.

DISCLOSURES ON WEBSITE

Company shall mandatorily disclose the following on their website, if any, for public access:

- The composition of the CSR Committee
- CSR policy
- Projects approved by the Board.

REVIEW AND AMENDMENT:

The Board of Directors may in their discretion and on recommendation of the CSR committee, make any changes/modifications and/or amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and of the Act or any other statutory enactments, rules, the provisions of such Act or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

Effective Date : December 27, 2017

Review Date: Last reviewed and updated on May 23, 2023