

DEY'S MEDICAL STORES (MANUFACTURING) LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

BACKGROUND

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is, *inter alia*, required to:

- (i) Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- (ii) Ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits Before Tax (PBT) of the Company, made during the three immediately preceding financial years, in pursuance of its CSR Policy.

PHILOSOPHY

Corporate Social Responsibility (CSR) is a public spirited cause that has been well introduced by the Companies Act 2013. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

The main responsibilities of the Company towards society at large are to eradicate hunger, poverty and malnutrition; promote education, promote preventive health care and sanitation and making available safe drinking water, promoting gender equality and empowering women.

OUR VISION

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.
2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.
3. The Company aims to fulfil the requirements laid down under the Companies Act 2013 and act diligently to comply with all its Rules and Regulations on CSR.

APPLICABILITY OF THE POLICY

1. The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.

2. This Policy shall apply to all CSR initiatives and activities taken up at various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under-privileged.

OBJECTIVE OF THE CSR POLICY

To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

To take up programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.

To generate a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a good corporate citizen of the Country.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE -

COMPOSITION :

The Corporate Social Responsibility Committee ("CSR Committee") shall consist of all the at least two Directors and such other persons as the Board may decide from time to time. The first Members of the CSR Committee shall be:

Mr. Gautam Dey	-	Managing Director
Mr. Ranajit Dey	-	Joint Managing Director
Mr. Subharthee Dey	-	Whole time Director

MEETINGS :

The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The Members shall ensure to hold at least two meetings in a financial year.

The Committee shall review the implementation of the CSR Programs once in a quarter and issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programs in accordance with this Policy.

It shall be the responsibility of the CSR Committee to keep the Board apprised of the status of the implementation of CSR activities.

QUORUM :

The quorum for a meeting of the CSR Committee shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

ROLE OF CSR COMMITTEE :

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 (as amended from time to time).
- b. To recommend the amount of expenditure to be incurred on the activities in a financial year.
- c. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d. Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the Corporate Social Responsibility Policy of the Company.

RESPONSIBILITIES OF THE BOARD

The Board shall :

- Form a CSR Committee and disclose the composition of the CSR Committee.
- Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- Place the CSR Policy on the Company's website.
- Ensure implementation of the activities under CSR.
- Ensure expenditure of requisite amount on CSR every year as per law.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.

CSR FOCUS AREAS

The Company shall focus the CSR activities around following thrust areas:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
2. Vocational Training programmes to enhance the employability skills of the beneficiaries.
3. Promoting education, including special education and employment, especially among children, women, elderly and the differently-abled and livelihood enhancement projects.
4. Promoting gender equality, empowering women, 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.

5. Training to promote rural sports, nationally recognized sports, Para-Olympic sports and Olympic sports.
6. Contribution to the Prime Minister's National Relief Fund.
7. Rural Development Projects.

IMPLEMENTATION

IDENTIFICATION OF PROGRAMS

All the CSR Projects shall be identified in a participatory manner. Professional agencies may be engaged in conducting need assessment in some programmes.

PARTNERSHIPS TO IMPLEMENT THE PROGRAMMES

Collaborative Partnerships may be formed with the Government Agencies, the village Panchayats, NGOs and other like minded stakeholders. This shall help widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

CRITERIA FOR IDENTIFYING EXECUTING PARTNERS

In case of program execution by NGOs/Voluntary organizations the following minimum criteria should be mandatory:

1. The NGO / Agency must have a permanent office / address in India.
2. The NGO should be a registered Trust or a Society having a duly executed Trust Deed / Memorandum of Association.
3. It should have registration such as 12A, 80G, FCRA registration (if applicable).
4. It should have a PAN.
5. Last 3 years audited statement of accounts.
6. Last 3 years income tax return.
7. Last 3 years FC return (applicable to organizations with FCRA registration).
8. The antecedents of the NGO / Agency are verifiable / subject to confirmation.
9. Should have a team of professional expertise and system to maintain Books of Accounts and to generate necessary Reports on the supported programmes.
10. No tie-up with the competitors of the Company.

MONITORING AND EVALUATION MECHANISMS

1. To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programmes under implementation at work centre will be reported to the Corporate Office of the Company on a monthly basis.
2. Feedback shall be obtained and documented from the beneficiaries and influential local leaders by the respective work centres about the programs.

3. Fortnightly/monthly field visits shall be conducted by the respective CSR teams to ensure the progress of the programmes at their work centres. The visits may include planned visits and surprised visits. The monitoring reports of each visit shall be made by the team and authorized by the work centre head.
4. Partners shall be required to report narrative as well as financial updates on a quarterly basis in the specified reporting formats of the Company.
5. The Finance and Accounts Team of the Company shall conduct one half-yearly and one year-end financial audit of all the CSR activities and report to the Corporate Office of the Company. The Finance and Accounts Team shall, from time to time, also guide the respective Partners and CSR team of the Company on necessary compliances.
6. Impact Assessment shall be conducted on a periodic basis, through CSR team of the Company and/or independent professional third parties, especially on the strategic and high value programs.

INFORMATION DISSEMINATION

1. Appropriate documentation of the Company's 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.
2. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

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 should be made to Corporate CSR Department. In all such matters, the interpretation & decision of the CSR Committee shall be final.

All Provisions of this CSR Policy shall be subject to revision/ amendment in accordance with the Act and Rules of the Companies Act, 2013 and Guidelines on the subject as may be issued by the Government of India, from time to time.

The Company reserves the right to modify, cancel, add, or amend this Policy in order to adopt the best practices in the Industry and in the interest of the stakeholders of the Company.