



GUJARAT POLY ELECTRONICS LIMITED

CSR VISION AND POLICY DOCUMENT

GUJARAT POLY ELETRONICS LIMITED

CIN: L21308GJ1989PLC012743

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GUJARAT – 382 024

The document outlines the Vision and Policy of Gujarat Poly Electronics Limited towards Corporate Social Responsibility, in accordance with Section 135 of the Companies Act 2013 and the Rules thereunder.

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Introduction and Background

GUJARAT POLY ELECTRONICS LTD. (GPEL), has been set up to manufacture Multilayer Ceramic Capacitors, Single Layer (Disc) Ceramic Capacitors – both low & high Voltage, MOV's etc. Company caters to the ever changing requirements of the Electronic Industry, which is amongst the fastest growing Industry in India. Company, deals with Electronic Components, which are the building blocks of any Electronic Industry.

Gujarat Poly Electronics Limited is a socially responsible company, and will be contributing 2% of its PAT for CSR activities in accordance with Section 135 of the Companies Act 2013 and the Rules thereunder from the date of its applicability, to the benefit of the socially & economically disadvantaged communities. This is being done by consistently investing in programs of Education, Higher Education for the underprivileged and the differently abled as well as equipping youth with market-linked skills and opportunities through NGO as recommended by the CSR Committee.

CSR Vision and Objectives

CSR Vision

The CSR vision of Gujarat Poly Electronics Limited is ***“Empowerment through Education.”***

For GPEL, Corporate Social Responsibility means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled.

GPEL commits itself for creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and social integration.

Objectives of the Policy

The **objectives** of this policy are to -

Demonstrate commitment to the common good through responsible business practices and good governance.

Actively support and be part of the state's development agenda to ensure sustainable change.

Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

Engender a sense of empathy and equity among people of society to motivate them to give back to the society.

Applicability

GPEL (hereby referred to as the Company) CSR policy has been developed in consonance to Section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014.

The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

This policy shall be applicable to GPEL and all the employees of the Company.

CSR Budget

CSR Committee will recommend the annual budgeted expenditure project wise to the Board for its consideration and approval.

Focus Areas

GPEL will implement its CSR activities in accordance with Section 135 of the Companies Act 2013 and the Rules notified thereafter.

Currently the CSR focus area for Gujarat Poly Electronics Ltd. is to reduce the carbon emission in the environment by adopting Solar Energy recourses which will not only benefit the organization but eco system as well.

Solar energy is not only easily available in large limitless quantity it is very eco friendly as it causes no threat to environment or human life. Increased use of solar energy in the educational institutions, home and shopping malls can not only ensure environment safety at the same time can save financial recourses of the organizations will can be redirected into some other core developmental activities.

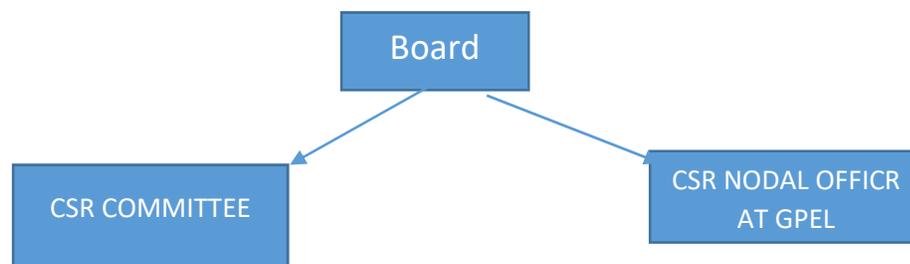
Implementation

The Company's CSR programmes will be identified and implemented according to the Board's approved CSR policy. The Company will enhance its monitoring and evaluation mechanism so as to ensure every programme has:

- clearly defined objectives (developed out of existing societal needs determined through baselines/studies/research), targets and time lines.
- a robust progress monitoring system.
- impact assessments
- a reporting framework and system in alignment with the Act and Rules.

The company will implement its CSR programs through NGO.

GPEL CSR GOVERNANCE STRUCTURE



Roles and Responsibilities: Board

The Board of Gujarat Poly Electronics Limited will be responsible for:

- approving the CSR policy as formulated by the CSR Committee.
- ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the three immediate preceding financial years.
- ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively, and regularly monitoring implementation.
- disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.

As per Section 135 the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report.

CSR Committee

Composition of the CSR committee: will consist of three or more directors of which, one will be an independent director.

The CSR committee of Gujarat Poly Electronics Limited will be responsible for:

1. Formulating the CSR policy in compliance to Section 135 of the Companies Act 2013.
2. Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
3. Recommending to Board the CSR expenditure to be incurred.

4. Recommending to Board, modifications to the CSR policy as and when required.
5. Regularly monitoring the implementation of the CSR policy.

Monitoring and Reporting Framework

GPEL's CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the activities. The respective heads of GPEL will present their annual budgets and list of programmers, projects, and activities to the CSR Committee for its approval. The Committee will in turn recommend this to the GPEL's Board for its final approval.

In compliance with the Act and to ensure funds spent on CSR programmers are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework will be put in place.

The monitoring and reporting mechanism is divided into three distinct areas:

(1) Programme Monitoring (2) Evaluation (3) Reporting and Documentation:

Programme Monitoring:

Programme monitoring mechanism will ensure:

- The CSR policy is implemented as per the Act and the Rules
- The CSR policy is implemented ensuring that all projects/programmes as budgeted are duly carried out.

- CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans. This may include monthly field visits, comprehensive documentation, and regular interaction with beneficiary communities.
- CSR spends will be audited in an accountable and transparent manner.
- Quarterly reporting and review by the CSR committee and six monthly reviews by the Board.

Evaluation:

- A robust MIS monitoring mechanism and evaluation plan will be put in place.
- Expected outcomes, outputs and inputs will be clearly defined for each programme as per stated timelines.
- There shall be clarity about the scope of the programme and the need before evaluations are undertaken.
- Third parties will be engaged to ensure objective assessment across baseline and end line parameters.

Documentation and Reporting

The CSR Committee will prepare the annual CSR report to be filed by the Company on approval of the Board. This report will ensure:

- CSR projects and programmes are being properly documented.
- An MIS is maintained on expenditure across sectors and geographies and beneficiaries impacted. The MIS structure will be in alignment with the prescribed reporting format.
- Accountability is fixed at each level of CSR process and implementation.
- A repository of case studies and good practices is being maintained.