

## Corporate Social Responsibility Policy

Hariyana Ship Breakers Limited (HSBL) part of Hariyana Group engaged in Ship Recycling is based in Alang, Asia's largest and world's major Ship Recycling Yard. HSBL operates in a manner that not just continues to generate an attractive return for shareholders, but also minimizes our impact on the environment and helps in replenishing the planet; while lending a helping hand to the community.

We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

**Our vision** is – "to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index".

### CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of HSBL have formed a Corporate Social Responsibility Committee (the "CSR Committee") in line with section 135 of the Companies Act, 2013 (the "Act"). The CSR Committee will carry out the following functions:

- i. to formulate and recommend to the Board, a CSR policy indicating activities to be undertaken as specified in Schedule VII of the Act;
- ii. to recommend the amount of expenditure to be incurred on the activities referred to in subparagraph i above; and
- iii. to monitor the CSR policy from time to time.

### IMPLEMENTATION PROCESS: IDENTIFICATION OF PROJECTS

All projects are identified in a participatory manner, in consultation with the community, literally sitting with them and gauging their basic needs. Subsequently, based on a consensus, projects are prioritised. Arising from this the focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing social causes.

In **Education**, our endeavour is to spark the desire for learning and knowledge at every stage through • Formal schools • Balwadis for elementary education • Quality primary education • Bal Vidya Mandirs • Girl child education • Adult education programmes.

In **Health care** our goal is to render quality health care facilities to people living in the villages and elsewhere • Primary health care centres • Mother and Child care projects • Immunisation programmes with a thrust on polio eradication • Health care for visually impaired, and physically challenged • Preventive health through awareness programmes.

In **Sustainable Livelihood** our programmes aim at providing livelihood in a locally appropriate and environmentally sustainable manner through • Formation of Self Help Groups for women empowerment • Vocational training • Agriculture development and better farmer focus • Watershed development • Partnership with Industrial Training Institutes.

In **Infrastructure Development** we endeavour to set up essential services that form the foundation of sustainable development through • Basic infrastructure facilities • Housing facilities • Safe drinking water • Sanitation & hygiene • Renewable sources of energy.

To bring about **Social Change**, we advocate and support • Dowryless marriage • Widow remarriage • Awareness programmes on anti social issues • De-addiction campaigns and programmes • Espousing basic moral values.

## **OUR APPROACH TO IMPLEMENTATION**

We will strive to implement the aforesaid CSR activities on our own to the extent possible. At the same time, we recognize need to work in partnership with other players also. This would include:

1. Collaborating with various organisation, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialise in the aforesaid activities.

2. Contribution to various funds which are aligned with our Vision and Mission like:

- Prime Minister's National Relief Fund

- Any other fund set up by the Central Government for :

- socio-economic development and relief.

- for the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.

3. Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

## **CSR BUDGET**

The total budget for the CSR projects will be decided by the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. However, surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

## **IMPLEMENTATION**

The CSR activities will be driven by the Management under the guidance and support of the CSR Committee and the Board. The CSR Committee will play a significant role in ensuring that the CSR policy is embedded across and the CSR initiatives are in line with this policy.

## **MONITORING**

The CSR Committee will be responsible for monitoring approved projects and fund disbursements for such projects. The CSR Committee will put in place a transparent monitoring mechanism for ensuring effective implementation of the projects, programs and activities proposed to be undertaken. Such monitoring mechanisms will include:

1. Visits, meetings and progress/status reporting by the Management.

2. Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
3. Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.
4. Actual year-to-date spends compared to the budget and reasons for variance.
5. In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

The Board shall seek a short progress report from the CSR Committee periodically.

#### **REVIEW MECHANISM**

Any or all provisions of this CSR policy may be amended by the Board based on the recommendations of the CSR Committee or in accordance with any statutory guidelines that may be issued from time to time.

#### **MANAGEMENT COMMITMENT**

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Corporate Social Responsibility policy conforms to the Corporate Social Responsibility Voluntary Guidelines spelt out by the Ministry of Corporate Affairs, Government of India in collaboration with FICCI (2009).