



**CORPORATE SOCIAL RESPONSIBILITY
(CSR)
POLICY**

FEROKE BOARDS LIMITED

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I. INTRODUCTION

At FEROKE BOARDS LIMITED, we view Corporate Social Responsibility (CSR) as an integral part of our identity and a cornerstone of our business philosophy. Our CSR policy reflects our unwavering commitment to being a responsible corporate citizen by addressing the social, economic, and environmental challenges of our time. This policy outlines our dedication to conduct business ethically, promoting sustainable practices, and actively contributing to the well-being of the communities in which we operate. We believe that our success is intertwined with the prosperity of society, and through this policy, we articulate our principles and strategies to fulfill this shared responsibility. We acknowledge the interconnectedness of our operations with the well-being of the community and the environment. By adhering to this policy, we aim to not only meet legal and ethical standards but to go beyond them, actively engaging in projects and practices that make a meaningful difference in the society.

This Policy outlines the Company's Corporate Social Responsibility (CSR) framework and establishes guidelines for conducting CSR activities. Additionally, it delineates the regulations that must be followed during the initiation and execution of CSR initiatives.

II. DEFINITIONS AND INTERPRETATIONS

All Definitions and interpretations shall be as per the Companies Act, 2013 and the Rules, as amended from time to time. All such applicable definitions shall be considered as forming part of this Policy.

III. GUIDING PRINCIPLES, APPROACH AND DIRECTION

It is the Company's commitment to ensure that its activities extend beyond business and include initiatives and endeavours for the benefit and development of the community/society. Our CSR initiatives will be aligned with the principles to serve a social purpose, education, skill development, healthcare, sustainable development of the society, benefit to the needy and the environment in which it operates. Any permitted activities to be undertaken by the Company shall be selected, implemented and monitored taking into account these guiding principles, approach and direction.

- a. **Funding Obligations:** In accordance with Section 135(5) of the Companies Act, 2013 (the Act), the Company is committed to spend, in every financial year, at least 2% of its average net profits made during the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. Any amount remaining unspent under Section 135(5), 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. This will include the spends through activities undertaken by implementing agency or direct spending or in combination thereof. If spends any amount in excess of the requirements, such excess amount may be set off against the requirement to spend under sub section (5) of section 135 up to immediate succeeding three financial years subject to the conditions as prescribed under the Act.

- b. Selection: The guiding principles for Selection of implementing agency(ies) are:
 - i. Eligibility – Implementation agency should be eligible to be appointed by the Company pursuant to the CSR rules under the Companies Act.
 - ii. General Reputation – Implementing agency shall have a general good reputation in performing its activities diligently and there are no serious adverse issues against such agency.
 - iii. Law of land – Implementing agency shall have a good stand in terms of Law of Land.
- c. Guiding Principles for Implementation and Monitoring:
 - i. Accountability and Transparency – Implementing agency shall be accountable for all expenses along with the acknowledgements. Further, there should be transparency in the actions to protect the interest of all the stakeholders.
 - ii. Ethical Behaviour – Management and Implementing agency shall maintain ethical behaviour while implementing and monitoring CSR programs without any corruption.
 - iii. No conflict of interest - There shall not be any conflict of interest in the objectives of employees involved in CSR activities and the implementing agencies. Both of them should work towards the objective of benefit to the society/needy.

IV. IMPLEMENTATION

- 1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules and the annual action plan.
- 2. The Board shall ensure that the CSR activities are undertaken by the Company itself or through implementation agency(ies) given below –
 - a. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - b. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c. any entity established under an Act of Parliament or a State legislature; or
 - d. 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.

3. In any case, the Board or CSR Committee may at any time decide to carry out the CSR activities on its own or through forming/establishing, either singly or along with any other company or person, a section 8 (under the Act) company / foundation / entity or any other implementation agency or through any other mode(s) permitted under law or in combination of one or more thereof.
4. The Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per CSR Policy as well as for capacity building of their own personnel for CSR.
5. The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Rules.
6. The implementation entity will assist the CSR Committee / Board in identifying the areas of CSR activities, programs and execution of initiatives. Such implementation agency will periodically apprise the CSR Committee / Board about the progress of deployed initiatives and in making appropriate disclosures (internal/external) on a periodic basis.
7. Implementation agency is authorised to finalize, approve and execute various agreements, MOUs, deeds, writings, confirmations, undertakings or other documents, as may be necessary with any person/party for the purposes of the CSR Policy and accept modifications, changes and amendments to any such documents/ agreements as it may deem fit under intimation to the Company.

V. CSR COMMITTEE

sub-section (9) inserted by Companies (Amendment) Act, 2020 provides that where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee shall be discharged by the Board of Directors of such company.

Hence Feroke Boards Limited is not liable to constitute CSR committee.

VI. ROLE OF THE BOARD

Since Corporate Social Responsibility Committee shall not be applicable to FEROKE BOARDS LIMITED and the functions of such Committee shall be discharged by the Board of Directors of such company.

- a. The Board of Directors of company will undertake the formulation and subsequent approval of a comprehensive Corporate Social Responsibility (CSR) policy.
- b. recommend the amount of expenditure to be incurred on the CSR activities;
- c. monitor the CSR Policy of the company from time to time;

- d. To enhance accountability and transparency, a robust monitoring and evaluation framework will be established, providing real-time insights into the progress and impact of our CSR initiatives at diverse locations.
- e. Periodic reporting on the implementation status of CSR programs across diverse locations will be communicated to the corporate office, ensuring comprehensive oversight and facilitating informed decision-making at the organizational level.
- f. The Board will receive an annual report and conduct a discussion encompassing comprehensive details of ongoing projects and activities, along with a forward-looking overview of planned initiatives for the upcoming year, including their respective budgets.
- g. Ensure that the activities as are included in the Corporate Social Responsibility Policy of the Company are undertaken by the Company.
- h. The Board of Directors shall endeavour that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its CSR Policy.
- i. The Board of Directors of the Company shall disclose the content of the CSR Policy on their website for public access.
- j. The Board shall ensure that the CSR activities are undertaken by the Company itself or through a registered and eligible Implementation Agency.
- k. The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it.
- l. The Board may alter the CSR Policy, in compliance with Section 135 of the Companies Act, 2013 ("the Act") read along with Schedule VII & the applicable rules thereto, at any time during the financial year, as per the recommendation of its CSR Committee (if applicable), based on reasonable justification to that effect.
- m. CSR initiatives of the Company will be reported in the Annual Report & the Board's Report in compliance with Section 135 of the Act and rules made thereunder.
- n. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

VII. CSR VISION STATEMENT

We aspire to lead the industry in creating doors that align with quality, sustainability, environmental stewardship & energy efficiency.

Beyond our manufacturing facilities, we envision a profound impact on communities globally. Our CSR initiatives are designed to empower, uplift, and foster positive change. We see ourselves at the forefront of sustainable business practices, demonstrating that success can be achieved hand-in-hand with environmental and social responsibility. designed doors open not just physical spaces but also doors to a more sustainable, inclusive, and visionary world. We envision a future where our brand is synonymous with innovation, sustainability, and social responsibility.

VIII. CSR MISSION STATEMENT

Our mission is to foster positive change and sustainable impact in the communities where we operate & commitment extends beyond crafting exceptional doors; it is a pledge to contribute positively to the world we inhabit.

IX. CSR OBJECTIVE

Our Corporate Social Responsibility (CSR) objectives are intricately woven into the fabric of our mission, reflecting our commitment to making a positive impact on both society and the environment. One of our primary goals is to embrace sustainable sourcing and manufacturing practices, prioritizing the utilization of eco-friendly materials and integrating energy-efficient technologies into our production processes. Concurrently, we strive to be environmental stewards by implementing waste reduction programs, exploring renewable energy sources, and championing green practices throughout our supply chain.

X. 5 COMPONENTS OF CSR POLICY

Our CSR Policy outlines our commitment to social responsibility and sustainable practices. The key components of our CSR Policy include:

1. Sustainable Practices:

FEROKE BOARDS LIMITED is a GreenPro certified company and deeply committed to sustainable business practices, emphasizing environmentally friendly sourcing, waste reduction, and energy efficiency. Our dedication extends to responsible sourcing, ensuring raw materials are procured ethically. We prioritize waste reduction through innovative management techniques, from product design to packaging, fostering a circular economy. Energy efficiency is a core focus, with investments in cutting-edge technologies to minimize our carbon footprint.

2. Community Engagement:

FEROKE BOARDS LIMITED is dedicated to fostering meaningful connections and making a positive impact in the communities where we operate. Through our community engagement initiatives, we actively support social development projects aimed at enhancing the well-being of local residents.

3. Employee Involvement:

At FEROKE BOARDS LIMITED, we recognize that our employees are key stakeholders in our broader commitment to corporate social responsibility (CSR). We offer flexible volunteering opportunities and incentivize participation through recognition programs, emphasizing the importance of giving back. Through these strategies, we aim to create a workplace culture where employees feel empowered to contribute to social initiatives, ultimately strengthening our collective impact on the well-being of society.

4. Ethical Business Conduct:

FEROKE BOARDS LIMITED is unwavering in its commitment to ethical business conduct, setting forth robust guidelines that prioritize adherence to legal and regulatory standards. These guidelines are integral to our corporate culture, promoting transparency and integrity at every

level of our organization. By upholding the highest ethical standards, we not only comply with legal requirements but also strive to create a corporate environment where transparency, honesty, and integrity are ingrained in our day-to-day operations. Our dedication to ethical business conduct reflects our commitment to building trust with our stakeholders and ensuring the sustainability and credibility of our business practices.

5. Diversity and Inclusion:

We embrace the strength that comes from diversity and are dedicated to cultivating an inclusive workplace environment. Our commitment to diversity and inclusion extends beyond mere representation to fostering a culture where all individuals feel heard, respected, and valued. We prioritize equal opportunities, fair treatment, and continuous learning to eliminate biases. By championing diversity in all its forms, we strive to create a workplace where everyone can thrive, contributing to a more vibrant and harmonious professional community.

XI. APPROVED CSR ACTIVITIES

The Company shall undertake any of the activities or such other activities as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR") as per Schedule VII of the Act, 2013 as amended from time to time and approved by the Committee, here in case board excluding activities undertaken in pursuance of the normal course of business of a company.

XII. EXCLUSION FROM CSR

According to Rule 2(1)(d) "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely: -

1. activities undertaken in pursuance of normal course of business of the company.
2. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
3. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
4. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
5. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
6. activities carried out for fulfilment of any other statutory obligations under any law in force in India;

XIII. CONTINUOUS MONITORING&EVALUATION

- a. To enhance accountability and transparency, a robust monitoring and evaluation framework will be established, providing real-time insights into the progress and impact of our CSR initiatives at diverse locations.
- b. To ensure that the objectives of CSR Policy are being met in an efficient and effective manner, the utilisation of the amount approved towards CSR activities should be reported by the implementation agency (as applicable) to the Company on a periodical basis. Until the Company is implementing its project/ongoing project through implementation agency, then the Company shall require implementation agency to report on a periodical basis to the Board/CSR Committee on the CSR activities, utilization, etc.
- c. In case of ongoing project, the Board / CSR Committee of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- d. Impact Assessment – As and when the requirement if impact assessment becomes applicable.
- e. Monitoring will be done with a continuous feedback mechanism, and recourse for mid-course correction in implementation, if needed, to ensure efficacy.
- f. All expenditure towards the programs to be diligently documented. As per the requirements of the Act, in case 2% of average net profit of the last 3 years is not spent in a financial year, reasons for the same to be specified in the Board/CSR report.
- g. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company.
- h. The Board / CSR Committee of the Company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

XIV. GENERAL

- a. In case of any doubt about any provision of the policy and also in respect of matters not covered herein, a reference should be made to the CSR Committee, here in case board. In all such matters, the interpretation and decision of the Committee, here in case board, shall be final.
- b. The CSR Committee, here in case board reserves the right to modify, add, or amend any of the provisions of this Policy subject to the approval of the Board.

XV. DISCLOSURE OF THE POLICY

The CSR policy recommended and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.