

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREFACE:

Corporate Social Responsibility (hereinafter referred to as 'CSR') is the way and mean through which corporates can repay the obligations made by the Society by contributing the resources in its various forms as required for the efficient operation of the Business. Corporate Social Responsibility is strongly connected with the principles of sustainability. Organization should make decisions based not only on financial or operational factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders. This CSR policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

Virgo Laminates Limited ('the Company') is an unlisted Public Company incorporated under the Companies Act, 1956. Section 135 Schedule VII of The Companies Act, 2013 mandates the Company to establish a mechanism called Corporate Social Responsibility Policy.

2. OBJECTIVE:

2.1 The objectives of the CSR policy is to promote socio economic development in rural areas, improve education, eradicate extreme hunger and poverty, promote gender equality and empowering women, reducing child mortality and improving maternal health, health care and sanitization, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, promoting and protecting natural heritage and culture and such other matters of common good.

2.2 Contribution to the eligible charitable Trust registered under Societies Act for promotion of education for under privileged students.

2.3 Promotion and Financing any other activities to be advised by the Govt. or approved by the Board from time to time.

2.4 Promote eligible Trusts and Societies and/or encourage eligible trusts and societies or other implementing agencies, registered under section 8 of the Companies Act, who are engaged in promoting the above objectives solely with our company or jointly with any other companies.

3. COMPANY PHILOSOPHY FOR CSR POLICY:

The Companies Act, 2013 has formally introduced the Corporate Social Responsibility to the dash board of the Indian Companies and the concept of Corporate Social Responsibility (CSR) is not a new concept to the Company. The Company has been proactively contributing towards welfare of the society for years together. The Company has widely contributed, focusing on major area as dedicated to healthcare as its priority projects. The management of the Company expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it in letter and spirit.

3. APPLICABILITY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) RULES:

The CSR rules are applicable to Indian Companies or subsidiaries of Indian Companies and Foreign Companies operating in India and having net worth of Rs.500 Crores or more, turnover of Rs.1000 Crores or more, net profit of Rs.5 Crores or more during the financial year.

4. THE RESPONSIBILITY OF THE BOARD IN IMPLEMENTATION OF CSR RULES:

4.1 The Board shall constitute a Corporate Social Responsibility Committee of the Board for the purpose of preparing a detailed plan of the CSR activities including decisions regarding the expenditure, types of the activities to be under taken, agencies like Trust/s, Societies, individuals etc. to implement such CSR activities, roles and responsibilities of such Trusts, Societies, individuals etc., monitoring and reporting mechanism.

4.2 The Board of the Company shall after take in to account the recommendations made by the CSR Committee, approve the CSR policy for the Company and disclose contents of such policy in its report and also place it on the Company's website. The Board shall ensure that the activities as are included in CSR policy of the Company are undertaken by the Company, ensure that the Company spends in financial year, at least 2% of the average net profits (before tax) made during the preceding 3 financial years. If the Company fails to spend such amount, the Board shall in its report specify the reasons for not spending the amount. Company shall give the preference to the local areas.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

5.1 The CSR committee of the Board should be constituted by the Board of Directors of the Company from time to time. Accordingly, CSR Committee of the Company has been constituted in line with Section 135 of the Companies Act, 2013. The CSR Committee consists of following members of the Board:

Name of the Director	Designation
Parvesh Kumar	Chairman (Independent Director)
Surinder Pal	Member (Managing Director)
Parveen Kumar	Member (Whole Time Director)

For unlisted Public Companies, the committee shall consist of at least three Directors out of whom, one is an independent Director. However, if there is no requirement of having an independent director in the company, two or more directors. For Private Companies, Two or more directors. No independent directors are required as mentioned in the proviso under section 135(1).

5.2 The term of the CSR Committee shall be for a minimum period of 3 years from the date of constitution. In the case of retirement of any of the Directors of the Company who are the members of the CSR Committee, fresh nomination of any other Director of the Company shall be made by the Board for the reminder of the period.

5.3 The CSR Committee shall hold its meeting at least twice in a year or such other convenient intervals as may be decided by the Chairman of the CSR Committee.

5.4 The CSR Committee shall ensure that the CSR activities in the Company are conducted as per the CSR policy and performance vis-a-vis the projections are placed before the Board of the Directors on half yearly basis as at Sept/ March.

6. FUNCTIONS AND RESPONSIBILITIES OF THE CSR COMMITTEE:

6.1 The CSR Committee of the Board shall formulate and recommend a CSR policy to the Board, indicating the activities to be under taken under CSR policy which is in tune with the Schedule VII of the Companies Act and any modifications made by the Govt. from time to time. The Committee shall also review the CSR policy from time to time / once in a year or such other periodical intervals as may be required. The Company shall study the CSR policies of other peer group housing finance companies/ CISR and take necessary guidance for the CSR activities, mode of spending CSR funds for eligible activities at periodical intervals and recommend to the CSR Committee, any modifications in the policy, objectives and allocation/ spending of CSR funds.

6.2 The CSR Committee shall estimate, compute the amount of expenditure to be incurred on CSR activities on an annual basis or project to project basis. All the expenditure to be incurred towards CSR activities shall be reviewed by the Board, subject to such monitory ceilings as may be prescribed by the Company's Act. Unutilized CSR budget of a particular year to be permitted for carryover to the next financial year as per the provisions of the Act.

6.3 The CSR Committee of the Board to monitor the progress in implementation of CSR projects and programs and report to the Board at half yearly intervals for review.

6.4 The CSR Committee shall approve the activities and budget for CSR expenditure from time to time and review such expenditure at half yearly intervals. The Company may also examine contributing a portion of the eligible amount to Prime Ministers National Relief Fund and such other activities and get the benefit of Tax concession and complying with the statutory requirements.

7. THE CSR ACTIVITIES AND STRATEGY:

7.1 The CSR policy should exclude the normal business activities of the Company. As per the CSR policy the activities included by the Company are to be related to the activities included in schedule VII of the Companies Act. The CSR activities may be either independent projects and programs or activities, either new or ongoing, but will not include the activities that are undertaken in pursuance to the normal course of the business. Similarly, contribution of any amount directly or indirectly made to any political party shall not be considered as CSR activity.

7.2 The gist of the activities for which the Company will spend the targeted amount which specified in the objectives of the CSR policy, the Company may cover all or any of the following activities under the CSR undertaken in India. In other words, expenditure incurred in CSR projects or programs or activities undertaken outside India are not eligible to be covered under CSR expenditure.

Our projects and initiatives are guided by our CSR Policy, and reviewed closely by the CSR Committee institutionalized and adopted by the Board of Directors as per the Section 135 of Companies Act, 2013.

8. THE CSR EXPENDITURE:

8.1 There is no maximum ceiling for CSR expenditure by the Company. However, as per clause 135 of the Companies Act, the Company shall spend a minimum of 2% of average net profit of the preceding 3 years for CSR activities. The net profit means, as calculated under Section 198 with other adjustments as referred in Rule 2(h) of CSR Rules. The surplus, if any, arising out of CSR projects or programs or activities shall not form part of the business profits of the Company.

8.2 The expenditure for various projects, programs and activities are to be decided at the initial stage by the Company and such projects, programs and activities are to be approved by the CSR Committee of the Board. Once these projects, programs are approved by the CSR Committee, expenses for such activities may be permitted by the Company.

9. MONITORING THE CSR ACTIVITIES:

Various CSR activities, projects and programs are to be monitored by the Company and progress is to be reported to be CSR committee of the Board at periodical intervals.

10. 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, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy. Our Corporate Social Responsibility policy confirms to the relevant section of the Corporate Social Responsibility, Rules made under The Companies Act, 2013 and amendment(s) to be made thereto in future. The Company is contributing to sustainable development by its economic activities combined with the fulfilment of its social responsibilities towards the society.

11. INFORMATION DISSEMINATION:

The Company's engagement in this domain is disseminated in annual report of the Company for respective financial years. The Company will follow this law in true letter and spirit.

*** End of Policy***