

DelVal Flow Controls Private Limited

Gat No. 25, At - Kavathe, Post - Javale, Tal. Khandala, Dist. Satara, Pin - 412801, INDIA

■ Phone : +91 9763720100 / 9763661000

DelVal Website: www.delval.com Corporate Social Responsibility (CSR) Policy



19 July 2019

DelVal Flow CSR Policy is aligned to the terms of Companies Act, 2013.

Definition: The term Corporate Social Responsibility or CSR has been defined as under, but is not limited to:

- Projects or programs with reference to activities that are specified in the Schedule; or
- Projects or programs related to activities undertaken by the Board in pursuance of recommendations of the CSR Committee according to the declared CSR policy subject to the condition that such policy covers subjects explained in the Schedule.

Role of the Board of Directors

The board of directors of a company plays a significant role in CSR activities of the company. The role of Board is as follows:

- Approval of the CSR policy.
- Ensuring its implementation.
- Disclosure of the contents of CSR policies related to its report.
- Placing the same on Company's website.
- Ensuring that statutory specified amount is spend by the company with reference to CSR activities.
- It is significant to note that there is no penalty if the amount is not spent on CSR activities. In such case, the board's report must identify the reason for such short spending.

DelVal Flow CSR Committee and Policy

The CSR committee is required to spend at least 2% of its average net profit for the directly preceding 3 financial years on CSR activities. The company has comprised a CSR Committee of the following directors with effect from 19 July 2019:

1. Mr. Arun M. Shiroor, Member
2. Ms. Amita A. Shiroor, Member & Chairperson
3. Mr. Rajeev H, Bhagwat, Member & Treasurer

The CSR Committee will prepare and recommend to the Board, a policy which will specify the activities to be undertaken (CSR Policy); advocate the amount of expenditure to be incurred on the activities referred and monitor the CSR Policy related to the company. The Board will consider the recommendations made by the CSR Committee and support the CSR Policy of the company.

Activities permitted under CSR

The Act specifies that the following activities can be performed by a company to accomplish its CSR obligations:

- Eradicating extreme hunger and poverty
- Promotion of education
- Promoting gender equality and empowering women

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- Reducing child mortality
- Improving maternal health
- Combating human immunodeficiency virus, acquired, immune deficiency syndrome, malaria and other diseases
- Ensuring environmental sustainability,
- Employment enhancing vocational skills, social business projects
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development, and
- Relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women and such other matters as may be prescribed.

The Act lays special emphasis on the CSR activities impacting 'local areas and neighborhoods.

Under the terms of Companies Act, preference must be given by companies in its CSR activities to local areas and the areas where the company operates. Company may possibly also choose to link with 2 or more companies for fulfilling the CSR activities if they are competent to report individually. The CSR Committee will also prepare the CSR Policy in which it includes the projects and programs which are to be undertaken, organize a list of projects and programs which the company plans to embark on during the execution year and focus on integrating business models with social and environmental priorities and process for the reason of creating share value. The company can in addition make the annual report of CSR activities in which they declare the average net profit for the 3 financial years and approved CSR expenditure but if the company is not capable to spend the minimum required expenditure the company must provide the reasons in the Board Report for non-compliance so that there are no related penal provisions.

A handwritten signature in blue ink, appearing to read 'Arun Shiroor', is written over a horizontal line.

Arun Shiroor
Managing Director