Corporate Social Responsibility Policy 2020

A – Introduction:

Long before the enactment of Companies Act 2013 which made CSR under Section 135 mandatory for prescribed class of companies, the Forbes Marshall Group (FM Group) was formally and strategically involved in social initiatives. Since 1958, when the FM Group company’s factory was originally set up in Pune, it began working actively with key stakeholders in the community; understanding their needs and working as a catalyst to positively impact lives. The FM Group has always believed in the philosophy of contributing and giving back to the community we operate in.

This policy has been drafted in accordance of the provision of Section 135 and Rules thereof under the Companies Act 2013 and Company (CSR Policy) Rules 2014 as amended from time to time.

The principle objective of Forbes Marshall’s social initiatives is ‘Energising Communities in our Neighbourhoods Worldwide’. We aspire to undertake activities which shall benefit communities where we operate. Our core values of Sustainability, Diversity and Inclusivity drive our CSR policy. The foundation of our CSR policy is based on Forbes Marshall’s overall purpose, values and aspirations.

We believe that it is possible to bring about a positive change in the community when the gaps in education, health, livelihood, and amenities are identified and addressed. Forbes Marshall’s social initiatives address overall wellbeing, thus giving rise to goodwill of the neighbourhoods and related stakeholders. Forbes Marshall has special interest in enhancing the quality of life through initiatives in education, preventive and curative community health youth life skills and women entrepreneurship. Forbes Marshall also supports financial inclusion initiatives, women self-help group programmes and employability and skill training.

Our approach is to identify underserved needs. We maximise the impact of our social initiatives by collaborating with community based organisations, not for profit organisations and government bodies. Through development of local leadership, we ensure the sustainability of our CSR activities which ultimately helps in building a resilient social sector.

At Forbes Marshall we recognise and appreciate the FM Group members who actively contribute in meaningful ways to all our social initiatives by volunteering and giving their time..

All companies under the Forbes Marshall Group viz. (1) Forbes Marshall Pvt. Ltd; (2) Krohne Marshall Pvt. Ltd; (3) Forbes Marshall Arca Pvt. Ltd; (4) Forbes Vyncke Pvt. Ltd; and (5) J N Marshall Pvt Ltd, have been playing a major role in serving the local community and the society they operate in. The details of the social activities carried out by the above Group Companies have been disclosed in the Annual Report of the respective Group Company every year.

Forbes Marshall’s CSR activities are implemented through three inter-related entities:

   (i) The Department of Social Initiatives established more than four decades ago works with the neighbourhood communities, most particularly in the areas of Education by providing support for quality education, vocational skills, training and providing facilities for education; Empowerment through developing leadership, development of strong community based organisations, and a community functionary cadre to ensure the sustainability of programmes; and Entrepreneurship development through financial literacy, access to micro credit and business development support.
Forbes Healthcare Foundation, a Section 8 Company, incorporated under the Companies Act, 2013 on 21st July, 2015 provides the same Medicare facilities, which Shehernaz Medicare Centre used to provide over the last 40 years. It focuses on creating awareness on preventive health measures for the community and improving mental health. The Medicare facilities are provided at subsidised rates, primarily to local communities and company employees and their family members, through a 30 bedded Hospital, located at the Kasarwadi premises.

The Forbes Foundation was set up in 2007-2008 to for funding of social initiatives that fall outside of Forbes Marshall’s core social programmes. The Foundation awards grants to organisations that creatively address issues in its grant-making priority areas. The priority areas are as under:

- **Education**: Initiatives that enhance the quality of education in our country, particularly those that strengthen the pedagogy of teachers, educators and care providers in the foundational years and those that develop life skills and vocational skills, in adolescents and youth.
- **Governance**: Initiatives that help to improving governance; either by collaboration with local government bodies or by unlocking government schemes and programmes for the most vulnerable segments of our population.
- **Building Capacity and Resilience of the Social Sector**: Initiatives that either help develop capacity of organisations or build leadership and management skills of personnel working in the social sector.

The Foundation also supports research studies that examine India’s most pressing social issues which would, in turn, spur more thoughtful CSR spending. Research on evaluation and impact assessment of philanthropic initiatives are also considered.

Grants are provided to organisations, where the objectives are aligned to those of the Foundation. These include initiatives which address (i) the underserved or inadequately funded needs; (ii) those that have an innovative approach or strategy; (iii) initiatives which are potentially sustainable and replicable and; (iv) those which have an element of developing local leadership.

Additionally, the Foundation encourages collaborative initiatives, which lead to enhanced impact on underserved needs or populations.

**B – Activities:**

The focus areas of our activities are Education, Entrepreneurship, Health and Community Empowerment; the key stakeholders being women, youth, and children from disadvantaged sections of society.

We work for the development of financial literacy of women and facilitating access to micro credit. Our programmes for youth and children are centered around quality education leading to enhanced life-skills, helping access to vocational skills training, opportunities for gainful employment and entrepreneurship, and relevant health services.
C - Modalities of Execution of Activities:

We support activities that are identified in accordance with the needs of the communities. Equality of gender is given importance while undertaking any activity. Activities are implemented in partnership with local organisations with a track record of at least three years of service, viz. community based organisations, not for profit organisations and statutory bodies. We actively encourage our members to participate and contribute to all initiatives and we recognise such members’ contribution.

D – Implementation Schedule:

The CSR activities are implemented according to a long term 5 year plan and a short term plan for each financial year. Some activities have been on-going over several years.

E – Monitoring Process:

The CSR activities mentioned above are recommended by the CSR Committee and approved by the Board of Directors of the respective companies under the FM Group. At the Board meetings of the respective companies, the CSR Committee will submit the report to the Board, stating the status of each of these activities, the total amount spent so far and the plan for the remaining period. The Chairperson of the CSR Committee shall be responsible for monitoring of CSR Policy from time to time. The CSR Committee shall ensure that the surplus arising out of CSR activities shall not form part of the business profit of the Company.

F – Reporting:

The Board of Directors of the respective companies shall ensure that the activities as are included in this CSR Policy of the group are undertaken by the companies and the Board of every Company shall ensure that the Company spends, in every financial year, at least 2 per cent of the average net profits of the Company made during the 3 immediately preceding financial years, in pursuance of this CSR Policy giving preference to the areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board shall provide an Annual Report on the CSR Activities in the prescribed format outlining the Company’s CSR policy, including overview of projects or programmes undertaken and a reference to the web-link to the CSR policy and projects or programmes, the composition of the CSR Committee and average net profit of the Company for last three financial years.

Further, it shall report details of CSR expenditure during the financial year including total amount spent for the financial year and amount unspent, if any and provide reasons for the same and/or disclose details of carry forward of the unspent amount in escrow for ongoing projects, as also the manner in which the amount was spent during the financial year detailing the CSR projects and activities and the amounts spent on projects and programmes specifying what were spent directly on projects and programmes and what was spent on overheads and details of amount spent directly or through implementing agency (including details of the implementing agency).

The companies will also ensure a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company. The Annual Report on CSR Activities will be signed in accordance with the Section 135 of the Companies Act, 2013 and rules made thereunder.
The Forbes Marshall Group of Companies was, is and shall remain committed to CSR as a core business value and while CSR has always been a ‘way of life’ at the Group, every effort shall be made to ensure that the Group conducts its CSR activities in a manner compliant with requirements under Section 135 of the Companies Act 2013 and the rules thereunder.

For more information please contact
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