

CORPORATE SOCIAL RESPONSIBILITY (CSR)- A report for the financial year 2014-15

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy , including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs:-

Company's CSR policy:

Vision:

- Our philosophy and core belief is that a company should contribute back to society what it draws from it. Our belief is that if we can make a positive difference to the world around us, we should start with our own neighborhoods around all our coating centers in India, even if it is in a small way. Oerlikon Balzers would strive to contribute to community development by working as a catalyst for social change, particularly in the local areas of its corporate operations.

Mission:

- (1) To Enhance the quality of life of neighborhood communities through Sanitation, healthcare , education – especially for girl child and physically and mentally challenged children, High quality vocational skills development & education to improve employability of youth, environment protection, conservation and enhancement, promote use of sustainable sources of energy, support national heritage in performing arts and sports etc. (2) To support government / NGO initiatives in mitigation of damage due to natural disasters / calamities –if they occur.

Major Areas identified for the CSR spending in 2014-15

- Clean sanitation facilities/ Toilets in the schools, especially for the Girl Child, to encourage them and thereby keeping up the desire to continue their education till secondary school certificate.
- Quality Health Care facilities to common people with moderate to low financial resources, through provision of equipment to Hospitals
- Conservation of Indian Cultural heritage: support Indian Classical performing Arts.
- Greater environmental responsibility.
- Infrastructure Development for promoting use of Renewable Sources of Energy, especially the Solar and Wind energy
- Support high quality vocational training/ education to promote employability of youth, (preferably from underprivileged background).
- Support to government initiatives for mitigation in case of natural disasters.



Summary

- Following the Vision and Mission statements in word and spirit, the company has started in real earnest to facilitate social change in some of the areas identified in the CSR policy.
- These are Clean sanitation facilities for schools, Health care, Environmental / green initiatives, renewable sources of energy and vocational training for Better employability.
- Company has already spent approximately INR 23.47 lacs during 2014-15 , on CSR projects and plans to continue to make the difference to the surrounding communities at all our centres in India. Formation of CSR policy , Committee of Directors and Committee of employees took little longer due to approval process and therefore company could not spend all the amount
- We believe in employee engagement in social responsibility and undertake programs, other than the projects described above, to involve employees; such as Blood donation, traffic safety awareness, Corporate run for social cause, contributing to relief funds in case of calamities etc.
- Board of Directors of the company take active interest in this social cause, and the company shall ensure that not only it meets the legal requirements, but will do more towards community development and ensure spending the allocated amount for CSR in the next 2 years.

Weblink: <http://www.oerlikon.com/india/en/news-media/downloads/>

2. Composition of CSR Committee:

A. Constitution of CSR Committee of the Board at Oerlikon Balzers Coating India Pvt. Ltd.

- Pravin Shirse, Managing Director
- Vivek Pandit, CFO & Director
- Cmdr. Anand Badve, Director
- Volker Dostmann, Director
- Bernard Fischer, Director

B. Constitution of CSR Committee of Employees and External member

CFO & GM -Finance	Vivek Pandit/ Alt. Ashok Gohel
GM –Marketing & Sales	Anand Golikere
Head- HR :	Milind Deshpande /Alt. Nachiket Kanase
Center Head, Pune:	Milind Salvi
Center Head , Gurgaon	Jitendra Dabral



Center Head (Tools), Bangalore	C. Gopinath
Segment Head (Components), Bangalore	M.R.K. Karanth
Center Head, Jamshedpur	Tajender Singh Kalsi
Center Head, Chennai	Manoj Kumar
Center Head, Ahmedabad	Makarand Joshi
Center Head, Punjab	Prashant Pal.
Projects tracking & record keeping	Sumati Sasidharan / Alt. Nachiket Kanase
External Member/ Director	
External NGO :	Ms. Bina Joshi

{Independent Social worker and member of NGO working for the cause of women and children. Also, CSR professional in a private limited company in Pune}

Following Report is for the period of Financial Years 2014-15

3 Average Net Profits for the last three financial years

For Financial Year ended	Net Profit (Rs. In Lakhs)	Average Net Profits for preceding three financial years (Rs. In lakhs)
31 March 2014	6224.7	5613.8
31 March 2013	4854.9	
31 March 2012	5761.8	

4 Prescribed CSR expenditure :

2% of Average Net profits for 3 preceding financial years:

Financial Year	Prescribed Expenditure Required under CSR (Rs. In Lakhs)
2014-15 (1 April 2014 to 31 March 2015)	112.3

5. Details of CSR spent during financial years 2014-15 INR :

- Total Amount to be spent for the financial years: INR : 112.3 lakhs
- Amount Unspent, if any: INR 88.8 lacs
- Manner in which the amount is spent during the financial years is detailed below:

msd

[Signature]

1	2	3	4	5	6	7	8
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Local area State and district where project undertaken	Amount outlay project wise; (Approximate Estimate in 2014-15) INR	Amount spent on the project (1)Direct on project; (2) Overheads INR	Cumulative exp upto the reporting period INR	Amount spent : Direct or through implementing agency
1	Affordable Dialysis to the needy patients	Health care	Pune, Maharashtra	750,000	750,000	750,000/-	Through an MOU with NGO/ Trust:
2	Sanitation facilities in schools	Sanitation and rural development	School in Kalewadi, Pimpri, Pune, Maharashtra; Thirupalaya, near Bangalore, Karnataka; Bavla in Gujarat .	10,00,000 Breakup as below: {900,000+ 360,000+ 100,000}	972,382 Breakup {Pune: 9,19,132 + Ahmdabad: 53,250/-}	17,22,382 /-	Direct, (Project near B'lore was started but was in progress)
3	Tree plantation and Green patch development in public areas	Environment	Bhosari, Pune, Maharashtra, Gurgaon, Haryana	200,000	NIL	17,22,382 /-	Direct, Suitable project not identified
4	Co sponsoring Indian classical Music performances	Support Cultural heritage in Indian Performing Arts & Sports	Pune, Maharashtra	50,000	25000	17,47,282 /-	Direct

5	Donations to Approved Relief Funds, such as Prime Ministers' National Relief Fund, for mitigation in case of Natural disasters, if any.	Ensuring environmental sustainability	Malin landslide, Maharashtra; (100,000) J&K disaster, (100,000) through Sakal Relief Fund and Prime Minister's Relief fund (400,000/-)	500,000	600,000	23,47,382 /-	PM's National relief fund; "Sakal" Relief Fund
6	Vocational Training and Education for youth:	Employment enhancing Vocation skills & empowering women	Support SICC initiative at Pune, Maharashtra	1,00,00,000	NIL	23,47,382 /-	Delayed due to incomplete Approval formalities by SICC.
7	Infrastructure Development for promoting use of the Solar energy	Environment protection through use of sustainable sources of Energy	A school in remote area to be identified	NIL	NIL	23,47,382 /-	Direct, Suitable location to be identified for the project
	Total			1,25,00,000	23,47,382	23,47,382	

6 In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report

The company has identified areas of expenditure and has undertaken various projects under CSR. Due to following reasons, company has not been able to spend the full amount.: (1) As this is the first year of spending under this policy, it took some extra time for "due diligence" which is required before the project is approved. (2) Some of those projects are not being completed during the financial year and the expenses booked are partial. (3) Also the project under Vocational Training to be started, for which the largest amount was allocated (INR 1 crore), was delayed due to various approvals and Company has withheld expenditure as due diligence.

Company will review the situation and take necessary steps to spend the unspent amount in the coming years.




7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the company

We hereby confirm that the implementation and monitoring of CSR policy is in compliance with CSR Objectives and Policy of the Company

On behalf of the Corporate Social Responsibility Committee of the Board



Pravin Shirse
Managing Director & Chairman of CSR committee



Vivek Pandit
CFO & Director

