

Corporate Social Responsibility Policy Statement

A – Introduction :

The environmental and social policy of Oerlikon Balzers is based on a globally recognized standard and the legal framework in India. Oerlikon as a group has been a member of the "Global Compact", a United Nations initiative aimed at fostering international progress and stability, since 2003. Even before the Indian Government's Companies Act 2013, Section 135 made CSR mandatory, Oerlikon Balzers Group has been involved in CSR activities in India. Since the inception of the company in 1994, 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.

OBIN's core values of Integrity, Team Spirit, Excellence and Innovation and the concept of Delivering Value to Customers, stakeholders and Society at large drive the CSR policy. Being a part of Oerlikon Group and Surface Solution segment, we align our CSR Vision to their Core purpose – which is “ Oerlikon creates Innovative Industrial solutions for a better life” and “Passion for advanced Surface Solutions for today and tomorrow!” respectively.

All Coating Centers under Oerlikon Balzers Group in India viz. (1) Pune (Head Office) (2) Gurgaon, (3) Bangalore, (4) Jamshedpur, (5) Chennai, (6) Ahmedabad , and (7) Chandigarh shall do their bit and shall continue playing a role in serving the local community and the society it operates in, particularly in the fields declared below in the “mission” . The brief on the Social Activities carried out by our company will be disclosed in the report every year on this



web portal. This policy is now written in the spirit of and in compliance with Section 135 of the New Indian Companies Act 2013.

Mission: The “mission” is, "(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.

The CSR committee of the company with help of HR & Admin Team and involvement of employee volunteers, works with the neighborhood communities in the areas identified under this CSR policy.

- References:**
1. Companies (Corporate Social Responsibility Policy) Rules, 2014
 2. Section 135 of Companies Act, 2013 (“**Act**”) read with Schedule VII of the Act.

B – Activities:

During this fiscal year and beyond, the OBIN Group shall undertake the following CSR related activities primarily for communities in its local area of corporate operations:

Sr no	Area	Activities	Description
1	Health care		
i		To render quality health care facilities at affordable price, to common people with moderate to low financial resources, through provision of equipment to Hospitals.	Providing Dialysis machines for Affordable Dialysis to the needy patients has been chosen as a focus area. One machine to be installed for this project at a Hospital in Pune, for economically challenged patients.
2.	Sanitation facilities / Education		
I	In a School near Pune	To enable the children , especially the girl child to have access to clean sanitation facilities in the schools, thereby keeping up the desire to continue their education till secondary school certificate.	Separate toilet blocks for boys and girls at a school identified in Kalewadi, Pimpri, Pune, Maharashtra.
ii	In a School near Bangalore		Toilet block for Girl students in a Primary school at Thirupalaya, near Bangalore, Karnataka.
iii	In a School near Ahmedabad		Wash room and Drinking water facility for a primary school at Bavla, Gujarat.
3	Environment Protection and conservation of natural resources		
i	In a School near Pune	Promoting use of sustainable energy sources such as Solar power	Solar power installation for a school in power starved rural area in Pune District. Project yet to be approved started.
ii	Pune , Maharashtra:	Tree plantations and landscaping	Public Road side areas surrounding the company are developed by planting trees and greenery, with permission from MIDC , Bhosari and PCMC.

iii	Gurgaon, Haryana	Tree plantations and landscaping	Maintenance and development of a public community park / jogging track in the vicinity of our Gurgaon center.
iv		River cleaning project	Details Yet to be decided
4	Support Cultural Heritage in Performing Arts		
i	Pune and PCMC	Indian Classical / Folk Music and Indian Classical/ Folk Dance performances	Financial support/ sponsorship to the Musical academies in Pune in organizing performances of eminent musicians as well as budding artistes in Indian classical music. (e.g. Swarazankar festival in Pune and PCMC)
5	Donation to Approved Relief Funds For mitigation in case of Natural disasters, if any.		
		Prime Ministers' National Relief Fund	For Jammu and Kashmir Flood Relief Fund.
		Sakal Relief Fund	Malin Disaster Relief Fund in Maharashtra
		Sakal Relief Fund	For Jammu and Kashmir Flood Relief Fund.
6	Support High Quality Vocational Training / Education for Youth		
		SICC initiative to develop a high standard of vocational diploma courses in industrially relevant technologies.	Vocational training for employability of youth in and around Pune Industrial belt.

C - Modalities of Execution of Activities:

The above identified CSR Activities will be implemented and executed by specialized non-profit agencies identified (all of which are more than three years old) in co-ordination with in-house CSR Team. Company may identify other competent agencies to carry out the projects under direct supervision of the Company's CSR team. These agencies would work singly or jointly with other agencies. Such agencies would include:

- Voluntary Agencies
- NGO's;
- Community based organizations;
- Government Bodies, Semi-Government or Autonomous Organizations;
- Institute/ Academic Organizations;
- Individual Developmental Resource Person
- Other Non-profit/Charitable Organization/ Trust

D – Implementation Schedule:

The above CSR activities are carried out in the current year as per schedules prepared and agreed between the company and the agencies carrying out the project activities. Such schedules may extend beyond the current FY.

E – Monitoring Process:

The above CSR activities have been recommended by the CSR Committee and approved by the Board of Directors of the Oerlikon Balzers Group. At the Board meetings, 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 Chairman 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 shall ensure that the activities as are included in this CSR Policy of the Company are undertaken by the company and the Board 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 local area and areas around it where it operates, for spending the amount earmarked for CSR activities and 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 programs undertaken and a reference to the web-link to the CSR policy and projects or programs, 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, 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 programs specifying what were spent directly on projects and programs and what was spent on overheads and details of amount spent directly or through implementing agency (including details of the implementing agency).

The company 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 by the CEO or the MD as also the Chairman of the CSR Committee.

The Oerlikon Balzers Coating India Pvt Ltd. was, is and shall remain committed to CSR as a core business value and every effort shall be made to ensure that the Group conducts its CSR in a manner compliant with requirements under Section 135 of the Indian Companies Act 2013 and the Rules there under.

G- Amendment

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time. The Board reserves the right to alter in any manner whole or part of this Policy as and when necessary, subject however to the provisions of the Section 135 of the Act and Rules made thereunder.

H- Approval

The Corporate Social Responsibility Policy in its present form is approved by the Board of the Company at its meeting held on 20 March 2015 on the recommendation of the CSR Committee.

For more information, please contact:

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