



## ANNEXURE 3 TO DIRECTORS' REPORT 2018-19

### The Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2018-19

[Pursuant to the provision of Section 135 & Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rule, 2014, and forming part of the Directors Report for the year ended 31st March, 2019].

#### i. Brief Outline:

The Board of Directors of the Company in compliance of the provisions of the Companies Act, 2013, has formulated the CSR Policy and the same has been displayed on the Company's Website: <https://www.garwarefibres.com/investors/csr-policy/>.

The major thrust area of CSR Policy are Promoting Education, Promoting Research and Development in Agriculture / Horticulture / Aquaculture / Fisheries etc., Promoting Health Care, Empowering Women, Undertake Environmental Friendly Measures like Tree Plantation, Rural / Agricultural extension / Development Projects, mainly in and around the geographical areas where Company's plant / businesses are located.

#### ii. Composition of the CSR Committee of the Board:

Sr. No.	Name of the Member	Designation	Position
1	Mr. R. M. Telang	Chairman	Independent - Non-Executive
2	Mr. S. P. Kulkarni	Member	Independent - Non-Executive
3	Mr. V. R. Garware	Member	Executive
4	Ms. M. V. Garware	Member	Non-Executive



iii. Average net profit of the Company for last three (3) Financial Years: ₹ 11417.63 lakhs.

iv. Prescribed CSR Expenditure: ₹ 228.35 lakhs.

v. Details of CSR spent during the Financial Year 2018-19:

a. Total amount to be spent for the Financial Year 2018-19: ₹ 228.35 lakhs.

b. Amount unspent, if any: ₹ 168.73 lakhs.

c. Manner in which the amount spent during the Financial Year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where Projects or Programs were undertaken	Amount of outlay (budget) Project or Programs wise (₹ in lakhs)	Amount spent on the Projects or Programs sub-heads: (1) Direct expenditure on Projects or Programs (2) Overheads: (₹ in lakhs)	Cumulative expenditure upto to the reporting period (₹ in lakhs)	Amount spent: Direct or through implementing agency
1.	Support to Schools by way of infrastructure and E-learning facilities.	Education	Local Area, Maharashtra (Pune, Satara) (Buldhana & Nashik)	32.22	32.22	32.22	Indirect
2.	Support by way of Medical Equipment and Health care facility.	Health Care	Local Area, Maharashtra (Pune, Satara) & Maharashtra (Mumbai)	8.00	8.00	8.00	Indirect
3.	Undertaking Livelihood enhancement project in the field of protected cultivation.	Enhancing Livelihood	Local Area, Maharashtra, (Nashik) & Andhra Pradesh, (Prakasam)	19.40	19.40	19.40	Indirect
<b>Total</b>				<b>59.62</b>	<b>59.62*</b>	<b>59.62</b>	

Note: \*Include Overhead Expense upto 5% of the total CSR Spending.

vi. Your Company exercises prudence in selecting the implementation partners on the basis of background, ability to perform and monitoring capabilities etc. During the year under review, an internal committee was given the task of identifying suitable projects, programs, implementation partners / strategies and submitting proposals to CSR Committee. After a lot of efforts, the internal committee submitted various proposals found suitable by it to the CSR Committee with activity plan and estimated time line involved in implementation of the projects.

During the year under review, the Company was able to spend ₹ 59.62 lakhs towards CSR Expenditure. The shortfall in CSR Expenditure aggregating to ₹ 168.73 lakhs was due to difficulties in finalizing the suitable implementation partners and to reach agreement on implementation methodology and terms thereof that meet the requirement of the CSR objectives and Corporate Social Responsibility Policy ("CSR Policy") of the Company, effectively and efficiently.

The Company is working on enhancing its CSR implementation capabilities on sustainable basis.

vii. Responsibility Statement of the CSR Committee:

Pursuant to the provisions of Section 135 & Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy), Rule, 2014, the CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the Policy of the Company.

**V. R. Garware**

Chairman & Managing Director

DIN: 00092201

**R. M. Telang**

Chairman, CSR Committee

DIN: 00092103