

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

1. A brief outline of the Company's Corporate Social Responsibility policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Corporate Social Responsibility policy and projects or programs.

CORPORATE SOCIAL RESPONSIBILITY

Dalmia Bharat Group was founded in 1935 and has been following the concept of giving back and sharing with the under privileged sections of the society for more than eight decades. The Corporate Social Responsibility of the Company is based on the Gandhian principle of Trusteeship. For over eight decades the Company has addressed the issues of health and sanitation, education, rural infrastructure, women empowerment and other social development issues.

The prime objective of our Corporate Social Responsibility Policy is to hasten social, economic and environmental progress. We remain focussed on generating systematic and sustainable improvement for local communities surrounding our plants and project sites.

In the recent years, Company has realigned its Corporate Social Responsibility to focus on issues material to the Company and its stakeholders. The approach is to make significant and sustainable difference through our programmes in the lives of beneficiaries by working in partnership with our stakeholders. Stakeholder engagements and baseline studies highlighted the issues of water scarcity, erratic power supply, unemployment amongst rural youths and basic rural infrastructure needs in our neighbouring community. The company realized that these issues were more material to their Group's businesses as well as to the communities around their facilities. Dalmia Bharat Group thus planned their Corporate Social Responsibility programmes in sectors of Soil & water conservation; Energy conservation and climate change mitigation; Skill development & livelihood Training and Social Development and started aiming at creation of shared values for all stakeholders.

Our Corporate Social Responsibility Policy can be accessed on www.dalmiacement.com

Presently, Dalmia Bharat Limited is working in 11 states viz. Andhra Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Karnataka, Meghalaya, Odisha, Rajasthan,

Tamil Nadu, and West Bengal, and in more than 1,200 villages in 15 districts.

PROGRAMME OUTREACH DURING FINANCIAL YEAR 2018-19

Our Key Focus Areas

1. Soil and Water Conservation

Depleting water table is a massive problem being faced across the country. In our neighbouring communities, the water table is as low as 500 feet, creating water scarcity and stress for agriculture and household use. We are thus working on a systematic, integrated and predictive approach for water management along with the community for water conservation, water management, construction, renovation and maintenance of water harvesting structures for improving surface and ground water availability like check dams, village and farm ponds, ring wells, watershed activities.

- Our initiatives have enabled an additional water harvesting and saving of 19.8 lakh m³ this year, taking the total water harvested per year to 64 lakh m³.
- Integrated Watershed Management Project
 - o The watershed projects are being implemented in Tamil Nadu, Andhra Pradesh and Karnataka covering an area of 9,200 Hectares.
 - o 7,971 acres of land was treated with 1,42,226 running metres of bunding work, 8 gabion structures, 2 check dams, 3 check walls, 800 trenches, 12 farm ponds, etc enabling water harvesting of 4.29 lakh m³ of water.
 - o 440 women SHG members got a loan of INR 77.04 lakh from the watershed committees for exploring small livelihood options like Milch Animals, Sheep rearing, nursery, goatery, etc.
 - o Agroforestry has been promoted in 32 acres of land with plantation of neem, tikur and local trees. Horticulture has been done around the homes of beneficiaries with plantation of 7,190 fruit tree saplings like mango, lemon, guava, etc. Also, fodder

development was undertaken on 1.8 acres of land.

- Under the Tribal Development Fund project initiated in Umrongso, plantation of more than 49,920 horticulture plants like litchi, guava, lemon and drumstick undertaken along with plantation of 45 Metric Tons of turmeric in 300 acres of land. Along with this, 120 contour trenches to aid 34,560 m³ of water harvesting. This project is benefiting 500 households by developing wadis in 500 acres of land and thus creating additional livelihood opportunities.
- Chirawa Water Conservation Project
 - o 320 rainwater harvesting tanks and 36 recharge wells constructed creating water harvesting capacity of 6,400m³.
 - o 204 Vermicompost plants, 32 soak pits and 50 Toilets constructed
- Drip Irrigation was implemented in 306 acres of land, benefiting 1,500 villagers in south locations and saving 8.9 lakh m³ of water.
- 17 Village Ponds have been constructed or renovated paving way for conservation of almost 61,200 m³ water, benefiting more than 18,650 beneficiaries.
- 37 Farm Ponds dug creating an additional water harvesting capacity of 2.76 lakh m³.
- 6 Check Dams were constructed creating an additional water harvesting capacity of 54,000 m³.
- 2 Causeways were constructed in Kadapa benefitting 500 beneficiaries and creating an additional water harvesting capacity of 5,250 m³.
- Harvesting of rice was done in 166 acres of land brought under Systematic Rice Intensification (SRI) process of Rice Cultivation in Lanjiberna, Lanka and Rajgangpur in collaboration with the Agriculture Department. The yield was 60-70% more than the conventional method.
- Dhaincha (Green Manure) Cultivation promoted in 25 acres of land in Lanjiberna area in collaboration with Agriculture Department and mustard cultivation was promoted in 30 acres of land.

2. Access to Clean Energy

Energy is another major concern in rural India, with majority of the population being dependent on depleting fuel wood and erratic electricity supply. Clean and renewable energy for the poor and vulnerable rural

communities is another focus area of Dalmia Bharat Group. Our technology innovation initiatives have helped operationalize and decentralize renewable energy solutions in the rural areas by promoting fuel-efficient cook stoves, Liquefied Petroleum Gas connections, bio gas plants, Solar lighting systems like lanterns, street lights, study lamps and home lighting systems.

- With the cumulative effort of our initiatives in this focus area, we were able to convert
 - o 46 villages to Clean Cooking Villages, where each household uses a cleaner cooking fuel. Till now, we have converted 115 villages to Clean Cooking villages.
 - o 62 villages to Clean Lighting Villages, where no household uses kerosene for lighting. Till now, we have converted 135 villages to Clean Lighting villages.
- 907 households lit up with Clean Lighting Solutions – Solar Lanterns. Study lamps and Home lighting solutions
- 70 Solar Street Lights installed in Kadapa, Lanjiberna and Cuttack benefitting nearly 10,464 villagers. 655 LED Street lights were also promoted benefitting 11,000 people. 180 LED lights were also promoted.
- This year, we extended the Ujjwala Scheme of Government of India to promote 2,316 Liquefied Petroleum Gas Connections among beneficiaries.
- Along with that, we also promoted 270 fuel efficient cook stoves.
- 4 solar powered e-shalas were established with a beneficiary reach of over 1,383.
- Through our initiatives to promote clean energy solutions, we are helping in reduction 40,102 tons of CO₂ emissions, every year.

3. Livelihood Skill Training

Unemployment amongst the rural youth is significantly high and substantiate number of them are just employed seasonally. Aiming at long term benefits for the youths and their family, the company has started many Skill Development programmes and provided training in areas like Stitching, Tailoring, Food processing, Computer education and many other. We have also set up DIKSHa (Dalmia Institute of Knowledge and Skill Harnessing) Centres in partnership with National Skill Development Corporation.

- Our flagship skill training programme of DIKSHa - Dalmia Institute of Knowledge and Skill Harnessing Centre

- o Has grown this year with a strength of 9 centres.
 - o Through these centres, 761 trainees passed in this year and 671 trainees are undergoing Training.
 - o Out of the passed trainees, 439 trainees have been placed and others are in process for placement. Our trainees are earning monthly salary in the range of INR 6,000 – 18,000.
 - o We now have collaboration with the 3 State Skill Development Missions of Odisha, Karnataka and Tamil Nadu and are also partnering with National Bank for Agriculture and Rural Development, National Scheduled Castes Finance and Development Corporation and Schneider Electric.
 - The 6 Farmer Producer Companies in Ariyalur and Kadapa (of farmers growing Cotton, Paddy, vegetables, Dairy and Bengal Gram) have grown with increased shareholders, availing loans from financial institutions and grant schemes from government, increased turnover and profits.
 - o There are now 2,598 shareholders and the FPOs have availed loan of INR 87 lakhs and grant from government schemes worth INR 105 lakhs.
 - o The Vegetable FPO in Ariyalur has set up "Value addition centre" for vegetables and Millet products, with assistance from local Agriculture Department. The centre is producing oil by traditional methods (Groundnut, Sesame & Coconut oil) and processing millets' powder making. The products are being directly sold from the centre under - "Ariyalur Arima" Trade mark name.
 - o The Dairy FPO of Kadapa engaged in collective procurement and selling of Milk to Dodla Dairy and Jarsi Dairy is now selling an average 770 litres of milk per day.
 - 110 new Self Help Groups were formed in this year with 1,834 members. The SHGs have a corpus of INR 15.9 crore and have availed a loan of INR 54 lakh. 2075 women from 455 of our Self Help Groups are involved in income generation activities like mushroom cultivation, dairy, home based chemical products, stitching, food processing, etc.
 - 40 trainings were given across locations to 1,525 beneficiaries on livelihood skills like mushroom cultivation, bee-keeping, dairy, poultry, stitching, sustainable rice intensification, food processing, etc. Most of them are utilizing these trainings and have started their small businesses.
 - 28 Joint Liability Groups were promoted with 190 members. These groups in Kadapa have taken a loan of INR 1.9 crore and have initiated small businesses for additional livelihood opportunities.
 - Apart from DIKSHa, we have enabled and supported 3,036 households with trainings, exposure and linkage to government schemes and financial institutions to explore additional livelihood opportunities.
- #### 4. Social Development
- The stakeholder engagement highlighted the issue of poor basic infrastructure which hinders the daily life as well as development of these villages. The company is helping in building the basic infrastructure needs of the community like School Sanitation blocks, low cost toilets, community halls, school buildings etc. Health is another concern among the community and company has pitched in by arranging General as well as Specialized Health Camps, providing medicines, Immunizations, Maternal and Child health Care.
- In Cuttack, through our Mobile Medicare Unit we providing basic curative medical care to 19,841 people in 13 villages.
 - 28,087 patients availed medical facilities through the dispensary, OCL-LVPEI Hospital and Homeopathic dispensary at Lanjiberna.
 - 55 Health Camps were organized across locations in South, East and North-East benefitting around 9,111 beneficiaries. 22 specialty health camps benefitted 4,181 patients.
 - 223 Eye camps benefitted 16,368 patients with eye screening check-ups.
 - Overall, our health initiatives helped more than 80,000 beneficiaries including 4,698 beneficiaries who were made aware on various health and sanitation related issues.
 - 568 Individual Sanitary Latrines were constructed across locations.
 - 154 sanitation campaigns under Swachhta Pakhwada and Skill se Swachhta created awareness on sanitation facilities, individual hygiene and clean villages.
 - Through our 2 HP World on Wheels, we have computer courses to 681 students. Along with this, the technology in bus was utilized to provide training to SHGs, farmers, Farmer Producer Organizations; Drivers' safety and license training, training to youth on MS Office and use of bus for community awareness on sanitation, environment, water, etc. These initiatives helped 4,381 beneficiaries.

- 18 Remedial Education Centres are running across the locations with enrollment of 976 students of High School and elementary classes. Parents Teachers interaction held in Remedial Centres.
- Under the Dalmia Happy School Project, 21 schools were assisted with desk, benches, infrastructure, Teaching Learning Materials, drinking water, etc. benefitting more than 2,796 students. Schools and colleges were also supported through education awareness, competitions, sports day, etc. 6600 students benefitted from these initiatives.
- Initiatives in sports like infrastructure, coaching and providing of sports material benefitted 2,135 children and youth.
- 32 infrastructure works like roads, drinking water facilities, bore wells, etc. benefitted more than 15,000 people.
- 8 veterinary camps were organized benefitting more than 1,000 animals.
- Days of National and International importance like World Environment Day, Independence Day, No Tobacco Day, Women Day etc. observed in all locations, with participation of school children, women, all villagers, Panchayat.

Awards and accolades

Various initiatives of Dalmia Bharat Limited have been recognised over the years for their innovative nature and extraordinary impacts. In the Financial Year 2018-19, Dalmia Bharat Group received following awards in the field of Corporate Social Responsibility:

Sl. No	Name of Award / Rating / Certification	Theme of the Award*
1	Best CSR Report, ET CSR Awards, 2019	Corporate Social Responsibility Report
2	Award for Project in Access to Clean Energy, ICC Social Impact Awards, Indian Chambers of Commerce, 2019	Corporate Social responsibility: Access to Clean Energy

1. The Composition of the Corporate Social Responsibility Committee.

Composition of the Corporate Social Responsibility Committee of Dalmia Bharat Limited is:

1. Mr. V. S. Jain, Independent Director, Chairman
2. Mr. Y. H. Dalmia, Executive Director, Member
3. Mr. Gautam Dalmia, Non-Executive Director, Member
4. Ms. Sudha Pillai, Independent Director, Member
5. Average net profit of the company for last three financial years – ₹31.70 Crore
6. Prescribed Corporate Social Responsibility Expenditure (two per cent of the amount as in item 3 above) – ₹63 Lakh
7. Details of Corporate Social Responsibility spent during the financial year-
 - (a) Total amount to be spent for the financial year- ₹95 Lakh
 - (b) Amount unspent, if any: Nothing is remained unspent
 - (c) Manner in which the amount spent during the financial year is detailed below.

Attached as **Annexure-3A** to this report.

8. **In case the company has failed to spend the two per cent, 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:**

Not Applicable

9. **A responsibility statement of the Corporate Social Responsibility Committee that the implementation and monitoring of Corporate Social Responsibility Policy, is in compliance with Corporate Social Responsibility objectives and Policy of the company.**

The implementation and monitoring of Corporate Social Responsibility programmes by Dalmia Bharat Limited (formerly known as Odisha Cement Limited), the Company is in compliance with the Corporate Social Responsibility objectives and policy of the company.

Place: New Delhi
Date: May 09, 2019

Puneet Yadu Dalmia
Managing Director
DIN 00022633

V. S. Jain
Chairman
CSR Committee
DIN 00253196

Annexure - 3A

₹ in lakh

S. 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 was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1)Direct expenditure on projects or programs. (2)Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Soil and Water Conservation (Check Dams, Drip Irrigation, Village Ponds, Farm Ponds, Ring Wells, Watershed, Irrigation Channels, Organic Farming)	Schedule VII / item No IV Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Andhra Pradesh, District Kadapa; Karnataka, District Belgaum; Assam, District Dimahasao and Nagaon; Meghalaya, District Jaintia Hills, District Jhunjhunu; Rajasthan; Sundargarh and Cuttack District in Odisha; and Midnapore district, West Bengal	95	75	75	Implementing agency - Dalmia Bharat Foundation
2	Bharat ke Veer	Schedule VII / item No VI Measures for the benefit of armed forces veterans, war widows and their dependents			20	20	
Total				95	95	95	