

STEELCAST LIMITED

Corporate Social Responsibility (CSR) Policy

Version 1.1

Adopted in the meeting held on 05.11.2019

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1. Background:

With the Companies Act 2013, a new provision of Corporate Social Responsibility (CSR) was introduced in the corporate India, with an intention to have corporate participation in the upliftment of the nation as a whole. Significant thrust is given by Government of India for an accountable widespread participation of the corporate entities for CSR activities. It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures its long term success, competitiveness and sustainability. Further, CSR makes business sense as companies with effective CSR have the image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are likely to be preferred by customers.

2. Objective:

2.1 The main objective of CSR policy is to make CSR a key business process for sustainable development of the society.

2.2 STEELCAST LIMITED will act as a good corporate citizen and aim at supplementing the role of Government in enhancing the welfare of the society within the framework of its policy.

2.3 The company will strive for economic development that positively impacts society at large through its activities with minimal resource footprint.

2.4 To encourage CSR activities like malnutrition, Education, Women empowerment, Child Education, Health Care and Disaster management etc.

3.0 Undertaking CSR Activities:

3.1 The following is the list of CSR activities, projects or programs which the Company may undertake pursuant to Schedule VII of the Companies Act, 2013 as amended from time to time:

(i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents;

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports

(viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.

(x) rural development projects

(xi) slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.
(Inserted by Notification dated 30th May 2019)

(xiii) Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

3.2 **Exclusions:**

(i) The CSR activities shall be undertaken as stated in this Policy, as projects or programs or activities (either new or on-going), excluding activities undertaken in pursuance of its normal course of business.

(ii) The CSR activities which are exclusively for the benefit of the company's employees or their family members shall not be considered as CSR activity

(iii) The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure

(iv) The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

(v) CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

(vi) The expenditure incurred on CSR activities shall not be deemed to an expenditure incurred by the assessee for the purposes of the business or profession under Income Tax Act 1961.

4. **Focus Areas:**

In accordance with the requirements under the Companies Act 2013, inter alia, the company will focus on:

- (i) Malnutrition
- (ii) Education Others,
- (iii) In House Skill Development Through Steelcast Education Trust
- (iv) Women empowerment
- (v) Child Education
- (vi) Health Care, and
- (vii) Disaster management & Others

5. **Location of CSR activities:**

The Section 135(5) provides that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The CSR Committee will decide the locations for CSR activities in accordance with provisions of the companies Act 2013.

6. **Organizational Mechanism and Responsibilities:**

6.1 Constitution of Corporate Social Responsibility Committee: The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board (“CSR Committee”) consisting of three or more directors, out of which at least one director shall be an independent director.

6.2 Function of CSR Committee: The CSR Committee shall – · Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII of Companies Act, 2013. · Recommend the amount of expenditure to be incurred on the activities; and Monitor the Policy of the company from time to time.

6.3 The Board of the company shall, after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company’s website and ensure that the activities that are undertaken by the company conform to those covered in this CSR Policy.

6.4 The Company provides the vision under the leadership of its CHAIRMAN & MANAGING DIRECTOR.

7. **Composition of CSR Committee:**

The CSR Committee consist of the following Directors:

Name of the Director	Category of Directorship	Position in the CSR Committee
Mr. Chetan M Tamboli	Executive Director	Chairman
Mr. Rajendra V Gandhi	Independent Director	Member
Ms.Vidhi C Tamboli	Executive Director	Member
Mr. Rushil C Tamboli	Executive Director	Member

The Committee will meet at least once in a Quarter.

Note: Any changes in the composition of the CSR committee will be incorporated in the CSR policy immediately on such happening.

8. **Activities, setting targets with timeframes and performance management:**

8.1 Prior to the commencement of CSR activities/projects, the Company carries out a baseline study of the areas/villages nearby to the Company’s

8.2 The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and data on population below the poverty line and above the poverty line, state of infrastructure, among others.

8.3 All activities/projects of CSR are assessed under the agreed strategy, and are monitored every quarter/year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

8.4 Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

9. **Execution of CSR Activities through Partnerships:**

The Company may decide to undertake its CSR activities as recommended by the CSR Committee either directly by itself, or through a registered trust or a registered society or another Company established by the Company or its holding or Subsidiary or Associate Company pursuant to Section 135 of the Companies Act, 2013, and rules made there under Collaborative partnerships may be formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

10. **Funding, Selection Process and Monitoring:**

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than as specified under provision of Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director or Chief Financial Officer of the Company or any other officer designated by the company on the recommendation of CSR Committee and approval of the Board of Directors of the Company.

Allocation of CSR fund in major CSR activities:

Sl.No.	Activities	Allocation of CSR amount liable to be spend (%)
1	Malnutrition	10
2	Education Others	20
3	In House Skill Development Through Steelcast Education Trust	20
4	Women Empowerment	20
5	Child Education	10
6	Health Care	10
7	Disaster Management & Others	10

11. **Information dissemination:**

The Company's engagement in this domain is disseminated on its website, annual reports and its house journals as and when deem fit, in the manner as prescribed.

12. **Management Commitment:**

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

13. **Compliance with Companies Act 2013 and related provisions:**

CSR Committee of Board of STEELAST LIMITED will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries in accordance with the provisions under the Companies Act 2013 and amendments thereto, and make suitable modifications as may

be necessary. Our Corporate Social Responsibility policy conforms to the Section 135 of the Companies Act, 2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India, from time to time.

14. **Applicability and Effective Date:**

As per Section 135 (1) (covering Corporate Social Responsibility) under Companies Act 2013 notified on 1st April 2014, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during [the immediately preceding financial year] shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Further Section 135 (5) of the Companies Act 2013, stipulate that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years 7[or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years], in pursuance of its Corporate Social Responsibility Policy:

Pursuant to notification of the Section 135 of the Companies Act 2013, the company had formulated and implemented the CSR policy wef 01.04.2014.

The amendments as necessitated owing to recent changes in the Companies Act 2013 have been incorporated in this version of the policy.

15. **Contact:**

For queries related to CSR policy, please write to us at: cs@steelcast.net

Sd/-

(Chetan C Tamboli)
Chairman & Managing Director

Place: Bhavnagar
Date: 05.11.2019