

Corporate Social Responsibility (CSR) Policy of Maa Kudargarhi Steel Private Limited (MKSPL)

Preamble

Corporate Social Responsibility (CSR) is strongly connected with the principles of sustainability. An organization should make decisions based not only on financial factors, but also on the social and environmental factors and consequences. We never lose sight of our responsibility to the environment and society. Our commitments towards Corporate Social Responsibility include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably.

We have taken, as its core corporate responsibility, to practice corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. MKSPL is responsible for continuously enhancing growth of its stakeholders so as to conduct its business in an accountable manner that creates a sustained positive impact on society.

Policy Statement

Our Corporate Social Responsibility (CSR) policy of the company refers to our responsibility toward our environment. Our company's existence is not lonely. It's part of a bigger system of people, values, other organizations and nature. The social responsibility of a business is to give back to the world just as it gives to us. Hence, it should ensure that all developmental activities/ initiatives undertaken are accessible to the most deserving segments such as children, women, elderly and those with disabilities. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, infrastructure development etc.

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. MKSPL adopts an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

Objective

The main objective of the CSR Policy is to lay down guidelines for MKSPL and to make CSR as one of the key focus areas to adhere to MKSPL's global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Companies Act, 2013 and rules made thereunder, as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities. The key objectives of this policy are to:

- Define CSR and the approach adopted to achieve our CSR Objectives
- Define the kind of activities/projects that will come under the ambit of CSR

- Identify broad areas in which the company will participate
- Serve as a guiding document to help execute and monitor CSR activities
- Elucidate criteria for partnering implementation agencies

CSR Committee

MKSPL has a Board Level Sub-Committee herein after referred to as CSR Committee consisting of two or more Directors. The Committee will report to the Board of Directors of the Company. The CSR Committee shall be responsible for the following:

- a. formulate suitable CSR Policy and recommend the same to the Board of Directors of the Company for its approval
- b. recommend the activities to be undertaken by the Company in terms of Schedule VII of the Companies Act, 2013;
- c. Approve to undertake CSR activities, if necessary, in collaboration with group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules
- d. recommend the amount of expenditure to be incurred on the CSR activities
- e. delegating powers for approving CSR budget within the framework of CSR policy; and
- f. monitor the CSR spending of the company from time to time.
- g. Authorize executives of the Company to attend the CSR Committee Meetings, if necessary
- h. To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.

Meetings of the Committee

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;

- a. The CSR Committee shall hold a minimum one meeting in a year.
- b. The members of the Committee may mutually agree between them regarding time and place for the said meetings.
- c. The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.
- d. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

Focus Areas

All CSR activities are identified in consultation with the community. The assessment is based on need at grass root level to reach out the beneficiary. Actions are / shall be initiated to implement, integrate and evaluate best practices of CSR initiatives.

The CSR activities being pursued / to be pursued will be focused not just around MKSPL's plants and offices, but also in other geographies based on the needs of the communities. CSR activities of MKSPL will cover the areas as specified under schedule VII of the Companies Act, 2013.

Implementation

Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The

Board will consider and approve the CSR Plan with such modifications that may be deemed necessary.

The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such approved persons or bodies as it may deem fit. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct.

Any or all provisions of the CSR policy would be subject to revision/amendment in accordance with the Rules and guidelines on the subject as may be issued by the Government, from time to time, subject to approval of the CSR Committee.

Annual CSR Budget

In line with the requirements of the Companies Act, 2013, MKSPL shall earmark as CSR Budget, atleast 2% of the average of net profits of the company made during the three immediately preceding financial years. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the company and shall be utilized for CSR activities only. Any unutilized amount shall be transferred to fund established under Schedule VII of the Companies Act, 2013.

Further, if the Company fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

Monitoring

The CSR Committee shall review the implementation of the CSR Programs periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programs and at the end of every financial year, the CSR Committee will submit its report to the Board.

Further, on the recommendation of the CSR Committee, the Board may review and amend this Policy from time to time. The Company reserves the right to modify, cancel, add to, or amend this Policy, with the approval of the CSR Committee / Board of Directors.

Information dissemination

The contents of the approved CSR Policy shall be disclosed in the Board's Report and shall also be displayed on the Company's website, if any.

Effective Date

This Policy is approved by the Board of Directors in its meeting held on 23.09.2019 and shall be effective from 24.09.2019.