

SUNALCO ALLOYS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

OBJECTIVE

With an endeavor to achieve our vision and fulfill our commitment to be a socially responsible corporate citizen, the CSR policy has been formulated with the following objectives:

- To lay down guidelines to embed CSR as a business process for development of the society.
- To undertake projects/programmes which will enhance the quality of life and economic well-being of the communities in accordance with Schedule VII and the provisions of Section 135 of the Companies Act, 2013 (“Act”) and the Rules prescribed thereunder (as defined hereinafter), (collectively referred as “Applicable Laws”).

APPLICABILITY

The Corporate Social Responsibility (CSR) Policy of Sunalco Alloys Private Limited (“Company”) has been framed and made applicable in accordance with section 135 of the Act read with the Rules thereunder.

The Policy is applicable to the Company w.e.f. the date of its approval by the Board of Directors i.e. 09TH March, 2021.

CSR COMMITTEE

CSR Committee of the Board has been formed as required under the Act.

DEFINITIONS

1. “CSR Activities” shall mean the projects and / or programmes undertaken by the Company either directly or indirectly pursuant to Applicable Laws in accordance with this CSR Policy.

2. **“Implementation Agencies”** any other trust, society or company or any entity established under an Act of parliament or a state legislature or any other agency which is eligible to undertake CSR Activities, on behalf of the Company in compliance with the Applicable Laws and includes the Principal Implementation Agency.
3. **“Rules”** means Companies (Corporate Social Responsibility Policy) Rules, 2014, or any other rules prescribed under section 135 of the Act and pertaining to corporate social responsibility, as may be amended and prescribed, from time to time.

INTERPRETATION

1. Words and expressions used in this Policy and not defined herein but defined in Applicable Laws, or the Articles of Association of the Company shall have the meaning as assigned to them thereunder.
2. In this Policy, unless the contrary intention appears:
 - a) the clause headings are for ease of reference only and shall not be relevant for construction or interpretation of the Policy;
 - b) words in singular include the plural and vice-versa.
3. All references to laws or to any specific provision of any law shall include references to all delegated legislation issued thereunder or any legislation as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification).
4. Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings.

GUIDING PRINCIPLES

The Company shall follow the following guiding principles for selection, implementation and monitoring of CSR activities:

- i) In undertaking CSR Activities, the Company shall give preference to the local areas wherein the Company operates or has its offices i.e. areas in the vicinity of its factories, depots and field offices.

- ii) The Company shall undertake only such CSR Activities, as are identified as Focus Areas under this Policy and the Applicable Laws and which are objectives as per international, national, or state level guidelines, priorities and standards.
- iii) The Company shall not discriminate against the beneficiaries of the CSR Activities, on any grounds whatsoever, including race, gender, age, ethnicity, caste, religion, domicile, but may focus its CSR activities to benefit the economically or socially weaker, or marginalised sections, of the society.
- iv) The Company shall endeavour utmost transparency in selection, implementation, monitoring and reporting of CSR Activities.
- v) The Company shall ensure that all CSR activities undertaken directly or indirectly, meet applicable standards of quality followed by Company and/or are the market standard for such activities.
- vi) The Company shall either undertake the project directly or preferably through Principal Implementation Agency and shall to its best of its ability also ensure that the partners or vendors selected by the Company or the Implementation Agency, satisfy the criterion specified by the Rules (if any) and have relevant experience, good credentials, no criminal track record, and follow the ethical standards which are at par with the Company's Code of Conduct.
- vii) The Company shall ensure that all the CSR Activities are implemented as per the approved Annual Action Plan, authorised by the Board.

MODE OF IMPLEMENTATION

1. All CSR Activities of the Company shall be undertaken by the Company either directly or through any Implementation Agency.
2. Subject to Applicable Law, the Company may collaborate with other companies for undertaking projects or programmes or CSR activities, provided that the CSR committee of the Company shall separately report to the Board, such projects or programmes that have been undertaken as Company's CSR Activities.
3. All contribution to the funds referred in CSR Activities point 6 (ii) as below shall be made directly by the Company and shall be utilized, accounted and monitored, strictly in accordance with Applicable Laws.
4. In case the Company undertakes any CSR Activity through any Implementation Agency other than the Principal Implementation Agency, such Implementation Agency shall satisfy requirements under the Applicable Law and shall be recommended by Principle Implementation Agency and approved by the Board.

CSR ACTIVITIES/ PROJECTS/PROGRAMMES

The CSR activities shall not include any activity undertaken by the Company in pursuance of the normal course of business of the Company.

Some of the activities the Company has been engaged in are as follows:

Sr. No.	Key thrust areas	Activities/ Programmes/ Projects
1	Health	<ul style="list-style-type: none">• Palliative care for terminally ill patients• Creating awareness on health• Improving sanitation• Providing easy access of medical support to vulnerable communities• Supporting Cancer /HIV /Thalassemia patients• Mobile Medical Units
2	Education	<ul style="list-style-type: none">• Setting-up/Developing infrastructure for schools• Arranging training and awareness programmes for adolescents.• Promoting e-learning• Enhancing reading culture• Awarding scholarships for meritorious/needly students• Providing vocational skills
3	Address Social Inequalities	<ul style="list-style-type: none">• Supporting old age homes• Supporting orphans and differently abled
4	Environment	<ul style="list-style-type: none">• Promoting environmental sustainability• Promoting conservation of natural resources• Promoting of Renewable Energy Resources
5	Rural development projects	<ul style="list-style-type: none">• Enhancing livelihood• Undertaking Sustainable Rural Development Projects
6	Others	<p>(i)</p> <ul style="list-style-type: none">• Undertaking disaster management

		<ul style="list-style-type: none"> • Supporting NGOs & trusts for conducting various programmes /activities • Any other permissible activity under Schedule VII of the Act
		<p>(ii)</p> <ul style="list-style-type: none"> • contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central government or any state government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women. • contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government. • contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)

CSR EXPENDITURE

1. Every year the Company shall spend atleast 2% of its average Net profit as defined under the Rules (“CSR obligation”) during the three immediately preceding financial years, on the CSR Activities.
2. The Company shall not consider any administrative expenses, except the cost of Impact Assessment, in meeting its CSR obligation, provided that, such costs shall not exceed the cap for such impact assessments, prescribed under Applicable Laws.
3. Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.
4. In case the Company undertakes any Ongoing Project, any amount remaining unspent and earmarked for the Ongoing Project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.
5. Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profits of the Company and shall be utilized towards the eligible CSR Activities/ addressed in accordance with Applicable Laws.

MONITORING & REPORTING OF CSR ACTIVITIES

1. Under the overall supervision of the Board, i) the CSR Committee ii) the Implementation Agency (in case, the CSR Activities are undertaken by any other Implementation Agency), shall be responsible to monitor the CSR Activities. The Board shall devise a robust monitoring mechanism to ensure that the CSR Activities are undertaken effectively in accordance with the Applicable Laws and the provisions of this Policy.
2. The CSR Activities will be effectively and objectively monitored using appropriate monitoring tool that may include one or more of the third-party audit or certification,

impact assessment, self-assessment report, field visit, periodical review or any other appropriate mechanism.

3. The Board shall review the status of implementation and fund utilization of the various projects and programmes at least once in a year.
4. In case of unsatisfactory finding on any of the CSR Activity, the Implementation Agency, if any, shall immediately inform the CSR Committee and shall also take appropriate action against the errant party in accordance with law.

RESPONSIBILITIES OF THE IMPLEMENTATION AGENCY

For the purpose of CSR Activities of the Company, where any Implementation Agency is appointed, it shall work under the overall supervision of the CSR Committee and the CSR Committee shall be fully authorised to issue any instruction, guidelines, direction, order, advisor etc, which shall be binding on Implementation Agency.

The Implementation Agency shall ensure the following:

1. All CSR initiatives of the Company comply with this CSR Policy and the Applicable Laws;
2. The Implementation Agency works only with credible institutions, non-governmental organisations (NGOs), government agencies, domain experts and visionaries and other philanthropic foundations to enhance the outreach of the Company's CSR Activities in line with the CSR policy;
3. Undertake the CSR Activities as per the approved activities;
4. Update the CSR Committee and the Board on the progress of CSR Activities and status of implementation of the approved activities;
5. Maintain records of all CSR Activities undertaken on behalf of the Company; and
6. Do all such acts, deeds and things as may be directed by the CSR Committee in pursuance of the CSR Policy and for the effective implementation of the approved activities.