

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. INTRODUCTION:

The concept of Corporate Social Responsibility (“the CSR”) has gained prominence from all avenues. Organizations have realized that the Government alone will not be able to get success in its endeavor to uplift the downtrodden of society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc., Banco Aluminium Limited (“the Company”) has adopted CSR as a strategic tool for sustainable growth. For the Company in the present context, CSR means not only investment of funds for social activities but also integration of Business Processes with Social Processes.

Section 135 of the Companies Act, 2013 impose statutory responsibility on Companies with an annual turnover of 1,000 crore INR and more, or a net worth of 500 crore INR and more, or a net profit of five crore INR and more to undertake Corporate Social Responsibility (CSR) activities as enumerated under Schedule VII of Companies Act 2013 which otherwise popularly known as CSR activities.

2. POLICY OBJECTIVES:

The objectives of this policy are;

- a. Devising meaningful and effective strategies for carrying out CSR activities.
- b. Make sustainable contributions to community.
- c. Identify socio-economic opportunities to perform CSR activities.
- d. Focus on social welfare activities as envisaged in Schedule VII of Companies Act, 2013.

3. SCOPE OF THE POLICY:

- The CSR Policy has been developed in consonance to Section 135 of Companies Act, 2013 (“the Act”) on CSR and in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”) notified by the Ministry of Corporate Affairs.
- This Policy will focus on constitution of CSR Committee, role and responsibilities of CSR Committee, CSR activities to be undertaken and allocation of funds for carrying out such CSR activities, Implementation and monitoring the execution of CSR activities for the Company.
- The policy shall apply to all CSR projects / programmes undertaken by the Company as per Schedule VII of the Act.

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4. CSR COMMITTEE:

The composition of the CSR committee will consist of three or more directors of which, at least one will be an independent director.

- a. The CSR Committee of Banco Aluminium Limited comprises of three directors of which, one is independent director.
- b. The CSR committee of Banco Aluminium Limited will be responsible for:
 - Recommending to Board the CSR expenditure to be incurred.
 - Recommending to Board, modifications to the CSR policy as and when required.
 - Regularly monitoring the implementation of the CSR policy.

5. CSR EXPENDITURE:

Company shall spend, in every financial year, at least 2% of the average net profits made during the 3 immediately preceding financial years. CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

6. LIST OF ACTIVITIES/PROJECTS:

The Committee shall carry out activities as per Section 135 of the Companies Act, 2013, Schedule VII and rules framed thereunder including any amendments thereof

- Eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care and sanitation including contribution to Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Promotion education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality and empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- 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;

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- 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 arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and welfare of the Schedule Castes, the Schedule Tribes, other backward classes, minorities and women;
- (A) 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; and
- (B) 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 (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); 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).
- Rural development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities Any other matter that may be included in Schedule VII from time to time.

7. IMPLEMENTATION:

The Board of Banco Aluminium Limited, based on the recommendations of the CSR Committee, implement any of the activities as mentioned under Schedule VII of the Companies Act, 2013 through any of the following ways :-

- Registered Trust or Society or Company established by the Company or its holding or subsidiary or associate company under section 8 of the Act or otherwise.
- Any other established Registered Trust or Society having track record of three years in undertaking similar programs or projects.

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- Company shall directly undertake activities as may be identified by CSR Committee.
- Company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

8. CSR REPORTING:

- The Board's Report shall include an annual report on CSR containing particulars as prescribed in CSR Rules.
- In case of any default in respect of CSR spending, Board is required to disclose reasons in its report.

9. DISCLOSURE:

Company should disclose the contents of policy on its website and in the Annual Report.

10. DISCLAIMER:

- The activities undertaken by the Company in pursuance of its normal course of business shall not be considered as CSR activities.
- The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.