

BAJAJ STEEL INDUSTRIES LTD., NAGPUR

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

1. PREFACE

As per Section 135 of the Companies Act, 2013, Every Company having a net worth of Rupees Five Hundred Crores or more, or turnover of Rupees One Thousand Crores or more or net profit of Rupees Five Crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors and out of which at least one director shall be independent director.

We have therefore determined to bring together our existing operating principles into one framework policy under the heading of Corporate Social Responsibility (CSR). The principles encompassed in this policy cover the major areas of the social responsibility and have been developed and continue to be reviewed against and updated by reference to relevant codes of corporate governance.

The Board of Directors of the Company supports the principles set out in those codes and standards and the aim of this policy is to translate that support into a set of guidelines and standards that set a common approach for the Company and provide practical guidance for our managers and employees on the ground.

2. POLICY OBJECTIVES

The policy objectives of the Company as per Schedule VII of The Companies Act, 2013 are as follows:

- a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) 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;
- d) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- e) *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.

** Inserted new objective vide CSR Committee Meeting held on 12.02.2015 and duly approved by the Board of Directors of the Company vide their Board Meeting held on 12.02.2015*

3. SCOPE OF THE POLICY

This policy covers the contribution of its 'average net profit' (*calculated in accordance with the provisions of Section 198 of the Companies Act, 2013*) for eradicating hunger, poverty and malnutrition and also prevent health care and safe drinking water through its contribution in its various proposed projects / strategy for the human welfare and safety. The Company shall also contribute its efforts and funds towards betterment of education and employment. Due to the global warming, environmental safety in the recent days are the big issue, therefore, the Company shall supports and works out on the environmental sustainability, ecological balance, animal welfare, conservation of natural resources and maintaining quality of soil, air and water. The policy also covers the contribution of its average net profit in the Government recognized funds which will for socio-economic development for the society as a whole.

4. DEFINITIONS

4.1 "Corporate Social Responsibility (CSR)" means and includes but not limited to:

- (i) Projects or programs relating to activities specified in Schedule VII to the Act or
- (ii) Projects or programs relating to activities undertaken by the board of directors of a Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per approved CSR Policy of the company subject to the conditions that such policy will cover subjects enumerated in Schedule VII of the Act.

4.2 "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act i.e the Board consisting of three directors and out of which at least one director shall be independent director.

4.3 "CSR Policy" relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.

4. COMPLIANCE, MONITORING AND REPORTING

Compliance with this policy will be continuously monitored and subject to review by the CSR Committee and the Board of Directors, supported by the Audit Committee. Compliance will be reported to stakeholders through the Annual Report of the Company or its annual Corporate Social Responsibility Report / Board's Report. The CSR Committee shall at fixed interval of every six month review the CSR activities of the Company and reports the same to the Board of Directors at its ensuring Board Meeting. If any of the non-compliance is observed by the CSR Committee, then they shall take the necessary action with the prior approval of the Board. The CSR Committee shall continuously monitor the strategies for the Company's CSR activities.

5. BASIC STANDARDS OF THE CSR COMMITTEE

- a) The Committee shall conduct their duties under this policy with honesty, integrity and openness, respecting human rights and in the interest of the Company.

- b) The Committee shall maintain the highest standards of integrity – for example, we will not promise more than the Committee can reasonably deliver or make commitments the Committee cannot or do not intend to keep.

6. STRATEGY TO ACHIEVE THE CSR ACTIVITIES.

6.1 Our strategy to eradicate hunger & poverty includes action thereto:

- help troubled families turn their lives around
- improve mental health
- reduce child poverty and make sure that children are properly supported so that they complete their education
- make work pay, and help people to find and stay in work
- help people recover and become independent if things have gone wrong
- work with the voluntary, public and private sectors to deal more effectively with complex problems.

6.2 Our strategy to promote education :

- Rural secondary school education:
- Identifying formal and informal educational opportunities in rural areas that are better suited to meeting the requirements of local labour markets and the needs of the population.
- Education for food and nutrition security: Imparting and strengthening pupils' life skills with the active involvement of their parents.
- formal and non-formal education, adult education
- Scholarships for girls, merit scholarships and technical education for boys
- Distance education
- Girl child education
- Digital literacy / computer education
- Balwadis for elementary education
- Quality primary education
- creating jobs
- expanding social safety nets
- expanding nutrition programs that target children under 2 years of age
- universalizing education
- promoting gender equality

6.3 Our strategy to promote Healthcare & family welfare includes action thereto:

- supports pulse polio program
- Mobile clinics — doctors' visits
- General and multispeciality medical camps, cleft lips
- Reproductive and child health care, supplementary nutrition / mid-day meal projects
- Safe drinking water, sanitation — household toilets, community hospitals

- HIV / AIDS, cancer, TB awareness and prevention camps
- Blood donation
- Responsible parenting

6.4 Our strategy to promote Environment sustainability includes action thereto:

- investing in clean energy
- making infrastructure improvements
- increasing access to sanitation
- offering technical assistance
- promoting ecosystem-based solutions

***6.5 Our strategy to promote gender equality & empowering women includes action thereto:**

- To protect the right and freedom of women.
- To battle in opposition to gender unfairness.
- To commence campaign for weaker segment of women.
- To provide financial assistance to a needy women for setting up a small business unit for her & her dependents daily basic needs of life.
- To provide the financial assistance and other assistance to any trust who is engaged in the woman empowerment activities.
- To provide any trust the financial assistance for setting up of old age homes.
- To conduct the programs on women empowerment by the Company itself or by any other person / trust, to encourage and take the counseling sessions for adopting the positive attitude in life.

7. ADMINISTRATION AND REVIEW OF THE POLICY

The CSR Committee shall be responsible for the administration, interpretation, application and review of this policy. The Chairman of the CSR Committee also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Board.

8. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

** Inserted new objective vide CSR Committee Meeting held on 12.02.2015 and duly approved by the Board of Directors of the Company vide their Board Meeting held on 12.02.2015.*
