

**CORPORATE SOCIAL RESPONSIBILITY
POLICY
OF
STEEL CITY SECURITIES LIMITED**

Overview and CSR Philosophy:

Steel City Securities Limited (“SCSL”) believes in a philosophy of adopting sustainable business practices which are beneficial to the various stakeholders including the society. SCSL believes in engaging and giving back to the community in a good way and in line with the Companies commitment to philanthropy. It intends to undertake the CSR activities strategically, systematically and more thoughtfully and to move from institutional building to community development through its various CSR programs and projects.

SCSL has always believed in giving back to the society and recognized its role and responsibility as a corporate citizen. SCSL has social values ingrained into its culture and manner of working. Lifestyle has been participating in various CSR initiatives and projects over the years even before CSR spending came to be mandated under law.

To further the Company’s CSR philosophy, a formal policy on CSR is being formulated to align its practices with requirements of Companies Act, 2013 and Rules made there under.

Vision and Mission:

SCSL’s CSR philosophy is ‘Do Good to Do Well and Do Well to Do Good’. SCSL’s vision is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry, and society at large.

SCSL’s CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

Scope:

This Policy shall apply to all CSR projects/programmes/activities undertaken by the Company in India as per Schedule VII of the Act.

Definitions:

- (a) “Act” means the Companies Act, 2013.
- (b) “ Corporate Social Responsibility (CSR) means and includes but is not limited to
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Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013.
- (c) “CSR Policy” relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
- (d) “CSR Committee” means the Corporate Social Responsibility (CSR) Committee constituted/ reconstituted by the Board from time to time in terms of the requirements of Section 135 and other applicable provisions of the Act.
- (e) “Net Profit” means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following:
 - (i) Any profit arising from any overseas branch or branches of the Company , whether operated as a separate company or otherwise and
 - (ii) Any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the

Companies Act, 1956 (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act.

Provided further that in case of foreign Company covered under these rules, net profit of such Company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of Section 381 read with Section 198 of the Act.

Corporate Social Responsibility (CSR) Committee:

❖ Composition:

The Company has a duly constituted CSR Committee comprising of 3 (Three) Directors of which one of the Director is a Non-Executive Independent Director and two Executive Directors. The Company has included an Independent Director as a member of the CSR Committee which is not a mandatory requirement for an Unlisted Public Company. The Chairman of the Committee is a Non-Executive Independent Director.

The Company Secretary of the Company shall act as Secretary of the Committee.

❖ Role:

The CSR Committee shall have, inter alia, the following roles, powers and responsibility:

- (i) Formulate and recommend the CSR Policy and any amendments therein to the Board of Directors of the Company.

- (ii) Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities
- (iii) Determine modalities of execution of such CSR projects, programs and activities
- (iv) Undertake all necessary steps to implement the CSR activities as formulated and adopted by the Government from time to time.
- (v) Authorize and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors.
- (vi) Monitor the CSR activities in such manner as it deems fit.
- (vii) Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company.
- (viii) To perform such functions as may be entrusted by the Board of Directors from time to time.

❖ **Meetings:**

The CSR Committee shall meet at least once in a year. However, they may hold special meetings as and when necessary.

❖ **Minutes of the Meetings:**

Proceedings of all the meetings must be recorded and signed by the Chairman of the Committee and tabled at the subsequent Board Meeting.

❖ **Sitting Fees:**

The Sitting Fee for attending the meeting shall be determined by the Board from time to time.

❖ **Quorum:**

The Quorum for the meeting of the CSR Committee shall be one third of the total strength or two directors, whichever is higher.

- ❖ The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person(s) as it may consider necessary to attend the meeting.

Quantum of amount to be spent on CSR Activities:

- (i) For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.

- (ii) The Annual CSR Budget shall be spent on activities laid down in this policy.
- (iii) Any surplus arising and / or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR activity only.

Disclosure of the Policy:

The CSR Policy recommended by the CSR Committee and approved by the Board shall be displayed on the Website of the Company and Board's Report shall include an Annual Report on CSR activities undertaken by the Company during a Financial Year.

Implementation of CSR Policy:

Company will seek to identify suitable programs/projects/activities as per the Company's CSR Policy and the activities enumerated under Schedule VII of the Companies Act, 2013, for execution/implementation in line with the CSR objectives of the Company that will benefit the community for which those programmes are intended. The implementation of the CSR programs/projects/activities may be undertaken by the Company as below:

- (a) Directly on its own
- (b) Through its own registered trust or registered society or Section 8 Company established by the Company or its holding or subsidiary or associate Company.

(c) Through independently registered trust or registered society or Section 8 Company that have a record of at least three years in similar such related activities

(d) A company may also collaborate with other companies for undertaking projects or programs or activities in such a manner that the CSR Committee of respective companies

are in position to report separately on such projects or programs in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 .

(e) Company may build CSR capacities of its own personnel as well as those of its Implementing agencies through Institutions with established track record of at least three financial years but such expenditure shall not exceed 5% of the CSR expenditure of the company in one financial year.

(f) CSR programs or projects or activities undertaken in pursuance of the Company's normal course of business shall not qualify as CSR expenditure.

(g) Preference shall be given to the local area and areas around where the company operates for CSR spending.

(h) CSR programs or projects or activities undertaken in India only shall amount to CSR Expenditure.

Monitoring Mechanism:

(a) CSR Committee shall be required to meet up at regular intervals to discuss, review and monitor the CSR activities of the Company.

(b) CSR Committee shall obtain and review the relevant progress reports and impact of various CSR Programs/Projects/Activities implemented and to identify gaps/

slippages therein and to plan corrective measures as may be required for the purpose.

- (c) CSR Committee shall ensure that the Programs/Projects/Activities that are undertaken by the Company are in compliance with various applicable laws/regulations of the areas as identified for CSR Expenditure.
- (d) CSR Committee shall ensure that appropriate documentation of all the Programs/Projects/Activities, statements of budget & expenditure are being undertaken on regular basis.

General:

- (a) The Board shall have the right to modify or change the policy from time to time.
- (b) Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.
- (c) All the records pertaining to the CSR Programs/Projects/Activities of the Company shall be kept under the custody of the Company Secretary.