

# JAYASWAL NECO INDUSTRIES LIMITED (JNIL)

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### I. PREAMBLE

Corporate Social Responsibility (CSR) lies within the functioning of the Corporate operations itself, which caters to the needs of the community and the regions in which it operates. It has now been realised and accepted that the government alone would not be able to ameliorate the dilapidated condition of the weaker sections of the society. A combined endeavour is needed from all who dwell in the society including the corporates.

CSR has become a global concern. But, Jayaswal Neco Industries Limited (JNIL) has always been aware of its Corporate Social Responsibility and has been fulfilling the aspirations of the society since long. It has adopted CSR as a strategic tool for the sustainable development of the society. For JNIL, CSR is not simply investment of funds for the social cause but linking of the business activity with the social activity.

### II. INTRODUCTION AND AREA TO BE COVERED

The works of the Company are located at the following places:

Steel Plant Division - Siltara Growth Centre, Raipur, Chhattisgarh

Steel Plant Division - Gare Palma IV/4 and IV/8 Coal Block, Mand Raigarh Coal Field, Raigarh, Chhattisgarh

Construction Castings Division - Light Industrial House, Bhilai and Anjora, Chhattisgarh

Centricast Division - MIDC Area, Hingna Road, Nagpur, Maharashtra

Automotive Castings Division - MIDC Area, Hingna Road and Butibori, Nagpur, Maharashtra

Apart from the above, Iron Ore Mines and Coal Blocks of the Company under implementation are as follows:

Iron Ore Mines, Kanker and Narayanpur, Chhattisgarh

Moitra Coal Block, Hazaribagh, Jharkhand.

Naturally, the primary benefit of the CSR activities of the Company will be to the areas close to the vicinity of its works and to the people living in those areas covering the various activities as specified in Schedule VII of the Companies Act, 2013. The second beneficiaries will be the needy sections of the society and various projects and programs covering the activities as specified in Schedule VII of the Companies Act, 2013 within the length and breadth of India.

With the aforesaid mission, the Corporate Social Responsibility Policy of the JNIL has been meticulously framed taking into account inter-alia the following main features:

- i. To take welfare measures for the community at large so that the poorer section of the society derive the utmost benefit;
- ii. To promote education, including special education and employment enhancing vocational skills among children, women, elderly and disabled persons to widen their livelihood prospects;
- iii. To set up old age home, to participate in the drive to eradicate poverty and malnutrition, to promote preventive and curative healthcare and sanitation;
- iv. To protect and safeguard environment and maintain ecological balance.

### **III. OBJECTIVE AND PHILOSOPHY**

The key objective of the CSR policy is to frame guidelines for JNIL to adopt CSR as a part of its business process for the sustainable growth of the society, work towards elimination of all hurdles for the social inclusion of the disadvantaged group such as the poor and the disabled, work for the economic and socio-cultural growth of the communities around which the Company operates. The objective will be to build a self-sustainable habitat that surrounds the units of the Company and to provide utmost attention to the children as in their hands lies the country's future and it is for their sake that the health, education and environment get the topmost priority in our CSR policy. Our ultimate aim is to serve the community in true sense.

### **IV. SCOPE COVERING PROGRAMS AND PROJECTS**

1. **Education** - To promote education amongst children, women and other residents by providing them educational support, scholarship, books and other study material, provision of teachers, school uniform and other educational facilities, to promote and organize other social awareness programs, to provide financial aids to schools under various schemes and to sponsor schools in the remote Vanwasi areas.
2. **To make available Safe Drinking Water** - To provide drinking water through bore wells and water tankers during summer season, to undertake installation and maintenance work of hand pumps and maintenance of wells.
3. **Healthcare and Sanitation** - To organize and sponsor health check-up and blood donation camps, free medical counselling and distribution of medicines, conducting eye check-up camps including distribution of spectacles, providing amenities to hospitals specially in remote areas, promoting educational programs to create awareness for clean surrounding and good sanitary conditions.
4. **Environment** - To ensure environmental sustainability, ecological balance, protection of flora and fauna, activities of plantation of saplings, development of parks and gardens, animal welfare, agro-forestry, conservation of natural resources and to maintain quality of soil, air and water.
5. **Social and Economic Empowerment** - To generate self-employment among socially and economically backward groups and to associate with villagers for cooperative development and group farming for agro-forestry products, to set up old age homes and to undertake and promote Livelihood enhancement projects.
6. **Empowerment of women for education/ health and self-employment** - To promote women empowerment with self-help group by generating cottage based self-employment schemes.

To promote education and health awareness among women and to provide all educational assistance to them.

7. **Sports, Arts and Culture** - To promote rural sports by providing training support and sports kits to the village youth with a view to achieving excellence in Nationally recognized sports, Paralympic sports and Olympic sports. To organize sports tournaments in the villages located near the works of the Company. To promote traditional and folk arts, handicrafts and culture of the region and to strengthen the social fabric of the community and to participate in various Socio-Cultural events.
8. **Protection and maintenance of National heritage sites, art and culture with the active involvement of employee representatives.**
9. **Vocational training** - To promote employment enhancing vocational skills among youth (boys and girls), women, elderly and differently-abled persons, to adopt Aavasi girls for nursing and other vocational training and sponsor ITI training for youths.
10. **Upliftment of poor and downtrodden and eradication of malnutrition and hunger** - To participate in the programs related to general upliftment of underprivileged children, women and the poor. To facilitate poor section by providing different aids to them and supporting fight against malnutrition and poverty. To provide grant/ donation/ financial assistance/ sponsorship to the reputed NGO's of the society engaged in programs related to upliftment of the standard of the poor and deprived section of the society.
11. **Rural development** - To associate with various rural development projects of the State and Central Governments, undertaking the work related to deepening and widening of existing ponds and wells in the villages specially in the close vicinity of the units of the Company, provision of irrigation facility to the villagers, construction of roads, road side rest shelters, lavatories and pavement work in rural areas.
12. **Contributions or Funds provided to Technology Incubators** - To contribute through sharing of talent available with the Company and/ or to fund the technology incubators in the field of special steels within academic institutions that are approved by the Government of India.
13. **To contribute to the Prime Minister's National Relief Fund** or any other fund set up by the Central Government for the socio-economic development, relief and welfare of the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, Minorities and Women.

The above list is only illustrative and not exhaustive. The Corporate Social Responsibility Committee may from time to time as per the requirement and necessity decide to cover some more activities also within the financial year's CSR activities plan.

## V. IMPLEMENTATION

- a. Investment in CSR shall be project, program and activity based.
- b. Programs, projects and activities identified under CSR will be implemented by the Company itself as well as by the specialized agencies such as trusts, societies, foundations, etc. These agencies may operate singly or jointly alongwith the Company.
- c. Specialized Agencies would include:
  - i. Voluntary Agencies (NGO's).
  - ii. Trusts, Societies and Foundations.
  - iii. Elected Local Bodies, i.e. Panchayats.

- iv. Government, Semi-government and Autonomous Organizations.
- v. Mahila Mandals/ Samitis and the like, etc.

## **VI. ROLE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board of Directors of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 vide its meeting held on 30<sup>th</sup> April, 2014 has constituted a Corporate Social Responsibility Committee comprising of the following members:

Shri Arbind Jayaswal	Chairman
Shri Ramesh Jayaswal	Member
Shri B.K. Agrawal	Member

The CSR Committee so formed has been made responsible to discharge the below specified functions:

- i. To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities that the Company shall pursue within the framework of activities mentioned in Schedule VII of the Companies Act, 2013 as amended from time to time.
- ii. To recommend the amount of expenditure to be incurred by the Company on the activities proposed to be carried out under the head CSR during the relevant financial year.
- iii. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- iv. To comply with the directions of the Board as may be given from time to time in connection with pursuing CSR activities, expenditure thereon and such other matters related thereto.

## **VII. SOURCE OF FUND**

The minimum source of fund towards CSR spending in any Financial Year will be in the form of 2% of the average net profits of the JNIL during the immediately preceding three Financial Years. This is the mandatory minimum limit for CSR spending as per the provisions of Section 135(5) of the Companies Act, 2013.

## **VIII. FUND ALLOCATION**

The CSR Committee formed by the Board of Directors of JNIL shall be responsible for the allocation of fund for the conduct of CSR activities during a financial year as recommended by the Committee and duly approved by the Board.

The fund so allocated as per the requirement of the approved CSR projects, programs and activities will be recommended by the CSR Committee to the Board for its approval. On being approved by the Board, it would be available for spending on approved CSR activities.

## **IX. MONITORING**

- a. At the first stage, the CSR Policy of JNIL will be monitored by the CSR Committee.
- b. The CSR Committee will decide the priorities of the CSR activities to be undertaken in any financial year.
- c. It will interact with the Implementing Agencies to finalize the activities to be undertaken.
- d. It will also examine the proposals/ request submitted by the CSR Implementing Agencies for grant of donation/ financial assistance/ sponsorship, etc. and also submit its recommendations thereon.
- e. Apart from this, the Committee will monitor and review the progress of activities undertaken and proper documentation of the completed projects.
- f. The Committee will ensure that utilisation certificate with statement of expenditure duly certified by an authorised Auditor is submitted by the implementing agency to which CSR fund is allocated.
- g. In every six months, the Board of Directors of JNIL will review the implementation status of CSR.
- h. The Board will ensure that the contents of the policy are disclosed in its report and also on the JNIL's website. The Board will also include in its report the CSR activities/ Projects undertaken by JNIL during the year under review.
- i. The Board will also ensure that the activities included in the CSR policy are undertaken by the Company. It has also to ensure that the amount recommended for CSR activities by the Committee and mandated as per Section 135 of the Companies Act, 2013 for CSR expenditure is actually spent. If the JNIL fails to spend the amount mandated by the Act, the Board shall in its report specify the reasons thereof. The amount which remains unspent in any financial year will be transferred to the next year's CSR fund.
- j. The CSR Committee is empowered to utilise funds for some other approved CSR activity if an amount approved for a particular CSR activity remains unspent.

## **X. UPKEEP AND MAINTENANCE OF ASSETS CREATED**

Maintenance of assets created under CSR would be the responsibility of the concerned state government and the local representatives of the area, except where the JNIL itself takes the responsibility.

## **XI. REFLECTION OF THE CSR ACTIVITIES**

- i. The Board will include in its report the CSR activities/ Projects undertaken by JNIL during the year under review.
- ii. Information shall be displayed with full clarity on all the structures constructed/ completed under the CSR:
  - Name of Structure'
  - Completed On.....
  - Courtesy - "Jayaswal Neco Industries Limited"
  - Funded under Corporate Social Responsibility.

iii. Photographs of all the activities carried on under CSR shall be taken and submitted to the CSR Committee.

**XII. EFFECTIVE DATE**

This Policy shall be effective from the financial year 2014-15.

**XIII. CONCLUSION**

CSR activities of JNIL will be undertaken within the framework of above guidelines. Corporate Social Responsibility Committee will review the policy from time to time and make suitable modification therein as may be required as per the changing needs and statutory requirements.

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