

NOVA IRON & STEEL LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR) POLICY

CSR Policy for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

A. CSR Vision:

To accomplish social, financial and educational enlistment of people belonging to economically weaker sections of the society.

B. Constitution of CSR Committee:

In compliance with the above provisions, Corporate Social Responsibility (CSR) Committee was constituted on 11th August 2014.

The CSR Committee shall :

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) monitor the Corporate Social Responsibility Policy of the company from time to time.

C. Key Areas of Corporate Social Responsibility:

The Company is eligible to undertake any of the suitable/rightful activity as specified in Schedule VII to the Act and also amended from time to time.

D. Identification of CSR Projects:

1. The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
2. As a cardinal principle, the CSR Projects shall be identified on the basis of a detailed assessment survey.
3. The CSR Committee may engage external professionals/firms/agencies if required for the purpose of identification of CSR Projects.

E. Implementation of CSR Projects

The Company shall implement the identified CSR Projects by the following means:

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit as defined in the Policy;
2. The Company may also implement the identified Projects presently through its Foundation or Society which is involved in CSR activities, within the scope and ambit as defined in the Policy.
3. The CSR Committee may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.
4. The Company may implement the identified CSR Projects through Agencies, subject to the condition that the activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act provided.

F. Monitoring Mechanism:

The CSR Committee will review and monitor the progress of CSR Project periodically and report to the Board at regular interval.

G. Fund allocation and Others

1. The Company, in every Financial Year, shall endeavour to spend such feasible amount as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years.
2. The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
3. Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee
4. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134 of the Act.

H. Duties and responsibilities:

- i. The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet as and when required.
- ii. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- iii. The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting
- iv. The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

I. Review Periodicity and amendment:

- i. CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit.
- ii. The CSR Committee shall review the Policy as and when required.
