

BMM ISPAT LIMITED
(Formerly known as B.M.M. Ispat Limited)

CORPORATE SOCIAL RESPONSIBILITY POLICY

Document Title	Corporate Social Responsibility (CSR) Policy
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Purpose	To provide guidelines for: <ul style="list-style-type: none">• CSR activities• Applicability & scope of the framework• Outlining of the key tenets
Applicable To	BMM Ispat Limited (“The Company”)
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Recommended by:	The CSR Committee of BMM Ispat Limited on 31 st Jan, 2023
Approved by:	The Board of Directors of BMM Ispat Limited on 31 st Jan, 2023

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A. CORPORATE SOCIAL RESPONSIBILITY (CSR)

BMM Ispat Limited (BMM) believes in the philosophy that CSR is an integral part of the organisation and all CSR practices and programs are being comprehensively integrated with the business operations and processes of the organisation.

B. CSR VISION

CSR is an important culture for BMM that integrates social, environmental and ethical responsibilities into governance of businesses to ensure the long term success, competitiveness and sustainability.

C. CSR MISSION

CSR is an endeavor to bring about an overall positive impact on the communities, cultures, societies and environment wherever BMM operates. BMM believes in the growth, which is combination of achievements, business expansion and commitment to the society.

D. GUIDING PRINCIPLES

- The CSR Policy of the Company shall be guided by the regulatory frameworks viz., Section 135 of The Companies Act, 2013 of the Government of India (GoI) and relevant notified rules
- In all circumstances the rules as defined by the CSR Act under Section 135 of Companies Act, 2013 shall prevail over any other rule/ convention/ best practice. The CSR rules as amended by Govt. of India from time to time shall prevail over and above this policy and the same shall be adhered to by the Company.

E. CSR ACTIVITIES

The areas where Community Development programmes would be run are:

1. **Eradicating hunger, poverty and malnutrition:** Provision of food, nutrition supplement, clothes etc. for the poor, children and other deprived sections of the society. Making availability for safe drinking water
2. **Promoting Health care including Preventive Health care and Sanitation** through awareness programmes, health check-ups, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity and to support construction of hospitals. Promoting sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation.

3. **Ensuring environmental sustainability and ecological balance through:**
 - Plantation in villages, our manufacturing units & offices/business premises and other areas in general;
 - Reviving endangered plants, promoting agro-forestry;
 - Protection of flora & fauna;
 - Animal welfare
 - 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.
 - Maintaining quality of soil, air & water
 - Promoting biodiversity;
 - Animal welfare and veterinary services.
 - Promoting alternate energy resources.
4. **Employment and livelihood enhancing vocational skills and projects** including tailoring and other Life skill training and livelihood enhancement projects.
5. **Promoting education:**
 - Special education and employment enhancing vocation skills among children, women, elders and differently abled and livelihood enhancement project.
 - Providing infrastructure support to schools
 - To set up Industrial training institute to provide vocational training to eligible persons
 - Establishment of library cum reading room
 - Support to mid-day meal programme
 - Scholarships to students from socially & economically oppressed communities
6. **Promoting gender equality and empowering women including:**
 - Setting up homes and hostels for women and orphans
 - Setting up old age homes, day care centres and such other facilities for senior citizens
 - Women empowerment through self-groups.
 - Training in vocations pursued by women.
7. **Rural Development Projects and slum area development:**
 - Improve internal roads, inter-connecting roads and drains
 - Improve sanitation
 - Building Community halls
 - Building Bus shelters

- Transportation facilities between villages
 - Provision of electricity
 - Rain harvesting facilities and water storage facilities
 - Construction and maintenance of Religious centers/ places of worship
 - Slum area development
8. **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 art and handicrafts**
 9. **Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows**
 10. **Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.**
 11. **Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women**
 12. **Disaster management, including relief, rehabilitation and reconstruction activities.**
 13. **Such other activities as the Board may consider to be appropriate in accordance with the provisions of schedule VII of the Companies Act, 2013.**

CSR Activates does not included those activities that are excluded in the definition of Corporate Social Responsibility under Rule 2(1)(d) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as below:

- (i) activities undertaken in pursuance of normal course of business of the company
- (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act
- (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019)
- (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services

- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

F. CSR IMPLEMENTATION

BMM may carry out the CSR activities in accordance with the terms of this Policy, either on its own, and/or through a registered trust or registered society or through a company registered under Section 8 of the Companies Act, 2013, as provided in under the Companies (Corporate Social Responsibility Policy) Rule, 2014.

BMM may also collaborate with other companies to undertake projects, programs or CSR activities in such a manner that the CSR Committees of the respective companies are in a position to report separately on such projects or programs in accordance with the CSR Policy and the applicable CSR regulations from time to time in force.

The Board of BMM shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer and/or the person responsible for financial management shall certify to the effect.

G. CSR BUDGET

1. Minimum of 2% of average net profit of the last 3 years is spent on its CSR Activities every year, in accordance with the CSR policy and annual action plan formulated.
2. The administrative overheads of the project to be undertaken shall not exceed five percent of total CSR expenditure of the Company for the financial year
3. Any surplus arising out of the CSR projects or activities shall not form part of the business profit and shall be ploughed back into the same project or shall be transferred to the unspent CSR Account and spent in pursuance of CSR policy and annual action plan or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year
4. Where BMM spends an amount in excess of requirement provided under sub-section (5) of section 135 , such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of rule 7(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.
 - (ii) the Board of the BMM shall pass a resolution to that effect.

H. MONITORING & REPORTING

All the CSR activities will be carried out under the supervision of JSW Foundation. The CSR team of BMM will provide regular progress report to the CSR Committee of the Board. This report would indicate:

1. Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the short falls.
2. Actual year-to-date spends compared to the budget and reasons for variance.

The Board of BMM shall seek a short progress report from the CSR Committee on a regular basis.

The Board of BMM may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The modalities of utilization of funds and implementation schedules for the projects or programmes, shall be as recommended by the CSR Committee and approved by the Board.

Impact assessment:

BMM shall undertake impact assessment, through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study, whenever its average CSR obligation, in the three immediately preceding financial years, is ten crore rupees or more. The impact assessment reports shall be placed before the CSR Committee, for its review.

I. REVIEW AND AMENDMENTS TO THE POLICY

The CSR Policy may be amended by the CSR Committee, as and when required, only with the approval of the Board of BMM.