



BEEKAY STEEL INDUSTRIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR POLICY)

PREFACE

Business is an integral part of the economy as well as of the society. It helps in the growth of the economy of every country. Whenever any business is done for only earning profit, it is termed as profiteering which is not healthy either for the long term business growth of the business entity or for the Society. But durability of business is sustainable when business entity recognizes and extends support to the Society for their wellness. In view of the these factors and assuming responsibility towards society and economy, every businesses entity should work towards achieving in growth of per capita income, employment as well assuming generous approach towards achieving social goals like education, health, sanitation, clean & pollution-free environment to enable the people to deliver their best. These activities are collectively terms as “CSR Activities”.

Besides, the Companies Act, 2013 has made it mandatory for profit making Companies to spent certain percentage of profits to carry out CSR Activities. Accordingly, the Company has decided to carry out programmes, projects and activities (collectively known as "CSR Activities") in this regard as the subject matter of this Policy, as specified in the Companies Act, 2013 and Rules relating thereto.

CSR Policy

It is the Company’s policy to undertake the following activities :

1. Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. 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 including contribution to the Clean Ganga fund set-up by the Central Government for rejuvenation of river Ganga;

5. 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 arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependants;
7. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. 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;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects;
11. Slum area development;
12. To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;

The Company can pursue any of the above mentioned activities as its social, economical and environmental responsibility.

Implementation

The Implementation of the CSR activities of the Company will be governed by the CSR Committee of the Company. The CSR Committee would comprise of three Directors.

SCOPE & TERMS OF REFERENCE OF THE COMMITTEE:

The terms of reference of the Committee are as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
2. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
3. To monitor the implementation of the framed CSR Policy.
4. To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.
5. To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case may be, to be attended by this Committee.

Responsibility/Role of the Board :

- i. To approve the CSR policy as per the recommendation of CSR Committee ;
- ii. To ensure to undertake the activities as per its CSR policy.
- iii. The CSR Projects and plans shall be monitored by the Board.

Governance/Reporting

1. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with or without any modification as deemed fit for the purpose.
2. The Board shall review the implementation of the CSR Programmes from time to time and issue necessary directions to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
3. At the end of every financial year, the CSR Committee will submit its report to the Board.

CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Any income arising from CSR Programmes will be netted off from the CSR expenditure and if in case any surplus arises, such amount will be reported as CSR surplus and used for CSR purpose only. Expenditure on CSR capacities (of the Co's personnel or implementing agencies) shall not exceed 5% of the total CSR expenditure in a financial year.

1. Brief outline of the Company's CSR Policy: A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR policy and projects or programmes:

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR policy for the development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by the CSR Committee of the Board. Though the Company would give preference to local area and areas around the Company for spending the amount earmarked for CSR, it would also work for the upliftment of the underprivileged at large. Greater emphasis is laid on the preventive health care, sanitation, education, water supply, agriculture, cattle care, environment protection and enhancing the income of the rural people. We have undertaken the CSR activities directly through our own staff and also through 'Akshya Patra Foundation', Friends of Tribal Society etc"

2. The composition of the CSR Committee is as under :

Mr. Mukesh Chand Bansal	Chairman
Mr. Brijesh Kumar Dalmia	Member
Mr. Manav Bansal	Member
Mr. Rabindra Kumar Sahoo	Secretary

3. Average net profit of the Company for last three financial years: Rs.28.03 Crores.

4. Required CSR Expenditure: Rs. 56.07 Lacs

5. Details of CSR spend for the financial year:

a) **Amount spent for the financial year:** Rs. 28.01 Lacs; (P.Year we spent Rs. 25.00 Las)

b) **Amount unspent:** Rs. 28.06 Lacs;

c) **Manner in which the amount spent during the financial year 2014-15 is detailed below**

Sl. No	CSR Project activity identified	Sector in which the project is covered	Projects programmes 1. Local area others 2. State district (Name of the District, State where project programme was undertaken	Amount Outlay(budget)project programme wise(Rs. In Lac)	Amount spent on the projects programmes Sub-heads : 1. Direct expenditure on project programme 2. Overheads (Rs. In Lac)	Cumulative spend upto to the reporting period i.e. F.Y. 2014-15 (Rs. In Lac)	Amount spent: Direct through implementing agency
1	2	3	4	5	6	7	8
1	Provision of Mid Day Meal and Providing Education	Eradication of Poverty and Promoting Education	Around Visakhapatnam.	5.00	5.00	5.00	Through Implementing Agency(The Akshaya Patra Foundation)
2	Provision of Help to Society for preventive Health Care etc	Social Awareness and Preventive of Health Care	Local Areas (Kolkata Suburban Areas)	0.50	0.51	0.51	Through Implementing Agency(Kolkata Senior Citizens Forum)
3	Provision of Literacy, Health Care and Supply of Drinking Water etc	Livelihood Enhancement	All States of India	10.00	10.00	10.00	Through Implementing Agency(Friends of Tribals Society)
4	Provision of Health Care & Medical Treatment of Patient	Promoting Health Care	Local Area (Kolkata)	5.00	5.00	5.00	Direct to Tata Medical Center
5	Provision of Eradication of Poverty, Hunger	Eradication Of Poverty	Local Area (Visakhapatnam, AP)	1.00	1.00	1.00	Implementing Agency
6	Provision of Social Business Project	Socio-Economic Projects	Local Area (Visakhapatnam, AP)	0.20	0.11	0.11	Implementing Agency

7	Provision of School Infrastructures and Enhancement of Quality Education	Promoting Social Development	Loacl Area (Visakhapatnam, AP)	1.25	1.21	1.21	Implementing Agency
8	Provision of Boring of Tube Wells and Supply of Drinking Water	Safe Drinking water	Loacl Area (Chengalpet, Tamilnadu)	4.00	3.85	3.85	Direct
				26.95	26.68	26.68	
	Overhead @5% of Project Costs				1.33		
	Total Amount Spent on Program & Overhed During FY'15				28.01		

6. Reasons for not spending the prescribed CSR expenditure :

We have been always historically ahead of compliances & regulations. But while the Companies Act, 2013 became effective from 1st April, 2014, the rules and clarifications relating to CSR got settled as late of September, 2014. In view of various issues which arose relating to interpretation of the law and the implementation challenges faced by corporates, the Government came out with a number of clarifications on the issue raised. Considering the reputation risk and the care needed to be taken in identifying projects, the Company was able to finalise the CSR projects and firm up the implementation mechanism only by end of 3rd quarter of 2014-15. Despite the delay in finalising the projects , identifying the implementation agencies and in deploying the personnel of CSR related activities, the Company was able to successfully implement a number of projects as per plan and could spend an aggregate sum of Rs.28.01 lacs (as against the obligation of Rs.56.07 lacs). Being the first year of implementation of CSR under the statute, the Company faced certain challenges in terms of identifying the agencies and allocating dedicated personnel. However we are continuously looking at new CSR inititaives to give back to Society. The Company has identified an appropriate project called 'School Adoption-Construction of Boundary wall and refurbishment of electrical wiring and provisions of Inverter Systems with additional bench/desk requirements'. The main purpose of this project will be promoting education with better livelihood. Implementation of this project will require more time to plan and execute suitably and is expected to be started in 2015-16.

7. Responsibility Statement :

It is hereby affirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.