

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble

The Company believes that corporations must reach out to the society and help by improving the quality of education and healthcare through various community development programs. The objective of CSR Policy of is to lay down guidelines to bring effectiveness in its CSR activities which are being undertaken to assist in the sustainable development of the society. SCIL strives to actively contribute to the social and economic development of the communities in which it operates. The Company believes in making sustained efforts towards eradicating hunger, mal-nourishment and ignorance.

2. Constitution of CSR Committee

Keeping in line with Section 135 of the Companies Act, 2013 (hereinafter referred to as “Act”), the Board of Directors of the Company has formed a Corporate Social Responsibility Committee, to inter alia carry out the following functions:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.”

Composition of CSR Committee:

S. No.	CSR Committee Member	Designation	Role in the Committee
1	Mr. Surinder Kumar Chaudhary	Whole Time Director	Chairman
2	Mr. Neeraj Kumar Jindal	Whole Time Director	Member
3	Mr. Rakesh Bhargava	Independent Director	Member
4	Mr. Mitin Chandanmal Jain	Nominee Director	Member

3. Responsibility of Board of Directors

The Board is responsible for:

- Approving the CSR policy as formulated by the CSR committee subject to necessary changes/ modifications as the Board may think fit.
- Ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the immediate preceding financial years in accordance with the provisions of section 135 of the Act and the Rules notified thereunder.
- Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively.
- Disclosing in its Annual Report the names of CSR Committee members, the contents of the CSR policy and ensure annual reporting of its CSR activities on the Company website. Any other acts, deeds and things as may be required under law from time to time.

The Corporate Social Responsibility committee has been formulated and recommended to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company.

4. Key Philosophy

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.

- ✧ **Rural Transformation:** Creating sustainable livelihood solutions, addressing poverty, hunger and malnutrition.
- ✧ **Health:** Affordable solutions for health care through improved access, awareness and health seeking behaviour.
- ✧ **Education:** Access to quality education, training and skill enhancement.
- ✧ **Environment:** Environmental sustainability, ecological balance, conservation of natural resources.
- ✧ **Protection of National Heritage, Art and Culture:** Protection and promotion of India's art, culture and Heritage.
- ✧ **Disaster Response:** Managing and responding to disaster.

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013.

5. Amendments

The Board of Directors and/or the CSR Committee reserves the right to modify, alter or otherwise update the CSR Policy from time to time, and as it deems fit. If there is any inconsistency between CSR policy or Indian regulation on CSR spending, the requirements of the Indian regulation shall prevail.

The Board of Directors or the CSR Committee shall modify, alter or update the CSR Policy to ensure it meets the requirements of the regulation.

6. CSR Budget

CSR Committee will recommend the annual budgeted expenditure for each program to the Board for its consideration and approval and shall be approved on programs in accordance with CSR Policy.

7. Surplus arising out of CSR activities/projects/programs

Surplus arising out of CSR activities, projects or programs shall not form part of business profits of the Company.

8. Implementation

The CSR committee shall ensure that the CSR programs are implemented through one, few or all of the following methods:

- (i) Directly by the Company; and/or;
- (ii) A registered trust or a registered society established by holding/subsidiary/ associate Company; and/or; or any other method as may be deemed appropriate from time to time or on a case to case basis.

Note: This policy is last updated on 20th February, 2016