

CORPORATE SOCIAL RESPONSIBILITY POLICY

Chromeni Steels Private Limited

**Regd. Office: 1103-1104, Parshwanath Business Park,
Praladnagar, Ahmedabad – 380015, Gujarat, India**

Ph : +91-79-48999500 Fax : +91-79-48999600

(CIN: U27320GJ2017FTC097919)

E-mail : info@chromenisteels.com

Website : www.chromenisteels.com

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1 . Introduction

Chromeni Steels Pvt. Ltd. is the manufacture of best in class stainless-steel cold rolled coils in 200 & 300 series having first of its kind integrated stainless steel cluster of India in Gujarat. We provide best in class products for our valued customers using innovative technologies and excellence in the form of Hot rolled and cold rolled stainless steel coils. We have our corporate office in Ahmedabad and manufacturing plant is situated in Mundra, Gujarat.

We believe in giving back to the society and so have focused in on areas such as employment generation, social welfare etc. for coming years we will strive to participation in CSR activity by donation to school, villages etc. with the growth of the Company, we will strive to participate in CSR activities for the society.

2. Object

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas to adhere and which focuses focus on programmes that will support the Companies objective in contributing towards sustainable development of the Society.

This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

3. Scope

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Initially the Company will be focusing on the below areas for its CSR projects. Further, the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

- a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care”] and sanitation and making available safe drinking water.
- b) (promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

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- d) Rural development projects

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company in Ahmedabad and Ratadia and Kundrodi village in Mundra of Kutch District in Gujarat where the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

Implementation of CSR Policy

5. Implementation body of CSR Policy

The Board of Directors and CSR Committee are key to implementation of CSR Policy

a) Board of Directors

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the CSR Rules.

b) CSR COMMITTEE

Constitution

The Constitution of CSR Policy is as follows:

Sr. No.	Name and Designation of Member	Designation in Committee
1.	Mr. Haijun Wang	Chairman
2.	Mr. Jian Jiang	Member
3.	Mr. Amit Muljibhai Vaghasia	Member

Functions and Powers Of Committee

Following are functions and powers of the Committee with respect of Company's CSR objective:

- Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- Recommend CSR activities as stated under Schedule VII of the Act
- Approve to undertake CSR activities, if necessary, in collaboration with external parties/sources as approved in Companies Act, 2013 and rules made thereunder, and to separately report the same in line with the CSR Rules
- Recommend the CSR Budget
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- to establish a transparent monitoring mechanism for implementation of CSR initiatives in India
- Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- Monitor CSR Policy and its implementation from time to time

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Meetings of the Committee

For smooth functioning of the Committee, the members shall endeavour to have minimum two meetings in year or such number of meeting as may be convenient looking to CSR Activities of the Company. The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

6. Identification of CSR Projects:

- a) CSR Projects need to be identified and planned for approval of the CSR Committee, with estimated expenditure and phase wise implementation schedules.
- b) The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company in Ahmedabad and Ratadia and Kundrodi village in Mundra of Kutch District in Gujarat where the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- c) The CSR Committee may engage external professionals/firms/agencies, if required, for the purpose of identification of CSR Projects.

7. Annual CSR Plan

Pursuant to Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

The CSR Committee shall prepare a CSR Annual Plan which shall include:

- a. Identified CSR Projects, intended areas and beneficiaries
- b. CSR Budget
- c. Implementation Schedules
- d. Monitoring mechanism
- e. Any other information as may be required by the CSR Committee

Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee

8. CSR Budget and Spend

The Company, in every Financial Year, shall endeavour to spend a feasible amount, 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. However, the aforementioned expenditure in any Financial Year shall be atleast 2% of Company's average Net profits for the three immediately preceding Financial Years calculated as per Companies Act, 2013 and CSR Rules.

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Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

If the Company fails to spend the required amount in a particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

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

9. Reporting and publication of CSR policy

The contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website.

10. Monitoring Mechanism

The CSR Committee shall ensure effective implementation and monitoring of the approved projects for CSR. The Committee shall report / give feedback about the implementation and monitoring at least twice a year to the Board of Directors for all CSR projects undertaken by the Company.

11. Policy review and future amendment

The Board of Directors of the Company may revise/ amend this CSR Policy based on the recommendations of the CSR committee or to bring the same in line with the guidelines or amendments issued from time to time by Government on Corporate Social Responsibility.