

**CORPORATE
SOCIAL RESPONSIBILITY
POLICY
OF
ALUMINIUM INDUSTRIES
LIMITED**

Introduction

The Companies Act, 2013 (hereinafter referred to as “the Act”) under Section 135 has introduced the concept of Corporate Social Responsibility (CSR). It mandates qualifying companies to formulate a CSR Policy and to constitute a CSR Committee to effectively monitor CSR Activities of the Company.

Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as “CSR Rules”) lays down the framework and modalities of carrying out the CSR Projects and programs relating to activities specified in Schedule VII of the Act.

As per the Act and CSR Rules, all qualifying companies requires to spend atleast 02% of its average net profits made during the three immediately preceding financial years. Aluminium Industries Limited (hereinafter referred to as “the Company”) is also covered under the preview of the said provisions.

This policy would be governed by various applicable provisions of the Act and CSR Rules, for the time being in force.

Objective & Scope

The objective of the CSR Policy is to lay down guidelines for the Company to make CSR activities for making a positive contribution to society through sustainable programs.

The Company is committed to make contribution to the society where we live and work and aspires to continue its tradition of contributing to and investing in communities. So, the Company intends to take CSR activities which have a lasting impact on the economic and social conditions of local people. All CSR Activities, initiatives, projects and programs should always in promotion of activities specified in Schedule VII of the Act, read with Section 135 of the Companies Act, 2013.

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

The Company proposes to implement its CSR activities in any of the sectors specified Schedule VII of the Act and as decided by the CSR Committee and accordingly identify CSR Projects and design CSR programs.

CSR Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company (hereinafter referred to as “the Board”) shall constitute the CSR Committee comprising of three or more Directors, out of which at least one director shall be an Independent Director.

The Board shall have exclusive power to appoint/remove any member of the CSR Committee.

CSR VISION

The Company has a vision to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioural practices which will contribute to the economic and sustainable development within the Company, industry, and society at large.

The Company’s CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

ROLE OF THE CSR COMMITTEE

- Formation of CSR Policy and recommend the same to the Board for approval.
- Recommendation on CSR Activities in line with the Schedule VII of the Act.
- Recommendation on CSR Expenditure/Budget.
- Monitor CSR Policy.
- Monitor spending of allocated CSR Amount and approved by the Board, on CSR Activities in accordance with the Act and CSR Rules.
- Submit periodic report to the Board in respect of the CSR Activities of the Company.
- Ensure compliance of the Act, CSR Rules and related notifications.
- Appraise the Board regarding any non-compliance of the Act, CSR Rules and related

Notifications.

- Delegate power to any executive of the Company.
- Any other activity assigned by the Board.

ROLE OF THE BOARD

- After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the Company, either singly or alongwith its holding or subsidiary or associate Company, or alongwith any other Company or holding or subsidiary or associate Company of such other Company, or otherwise provided that if such trust, society or Company is not established by the Company, either singly or alongwith its holding or subsidiary or associate Company, or alongwith any other Company or holding or subsidiary or associate Company of such other Company.
- Ensure that in each financial year the Company spends atleast 02% of the average net profits of the Company made during the three immediate preceding financial years, Calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.
- As per Section 135 of the Companies Act, 2013 specify the reasons for under spending the CSR amount in the Board's Report.

CSR EXPENDITURE:

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

CSR COMMITTEE MEETINGS:

The CSR Committee shall meet as and when required.

Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. Quorum for the 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.

Minutes of the CSR Committee shall be placed before the Board for noting.

CSR REPORTING

The Board Report of a Company shall include a report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

CHAIRMAN

The members of the Committee shall choose one amongst themselves to act as the chairman for the meeting.

MINUTES OF THE COMMITTEE MEETING

Proceedings of all meetings must be signed by the Chairman of the Committee and tabled at the subsequent Committee meeting.

FAILURE TO SPEND THE CSR MONEY

In case the Company fails to spend the CSR amount in the 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 Directors' Report for that particular Financial Year. Surplus arising out of the CSR initiatives shall not form part of the business profits of the Company.

Further, unless the unspent amount relates to any ongoing project, such unspent amount shall be transferred to fund specified in Schedule VII within a period of six months of the expiry of the financial year.

Any Amount remaining unspent pursuant to any ongoing project undertaken by the Company shall be transferred by the Company to a Special Account which shall be opened by the Company in accordance with the provision of the Companies Act, 2013. Further, such amount shall be spent by the Company in pursuance of its obligation towards CSR Policy within 3 financial years from date of such transfer, failing which it shall be transferred to fund specified in Schedule VII within 30 days from completion of the third financial year.

CSR ACTIVITIES

In line with Schedule VII of the Act and 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 Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board based on recommendation of the CSR Committee which outlines the aspects of CSR initiatives of the Company, however as per the Act and CSR Rules following activities will not be considered as CSR Activities;

- Any CSR projects and programs that are implemented by the Company for benefit of the employees of the Company and their families.
- The CSR activities implemented outside India also fall outside the purview of CSR Rules, hence any CSR expenditure on such activities will not be considered as CSR Activities under this policy.
- Any amount contributed, directly or indirectly, to any political party or for any political purpose shall not be considered as CSR Spend.
- Activities that are undertaken by the Company in pursuance of its normal course of business.

POLICY REVIEW & FUTURE AMENDMENT

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.