



SCAN STEELS LIMITED

SCAN STEELS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF SCAN STEELS LIMITED



Corporate Social Responsibility (CSR) Policy of Scan Steels Limited

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Scan Steels Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

Scan Steels Limited recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR a key business process for sustainable development. Scan Steels Limited is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our company is committed towards aligning with nature; and has adopted eco-friendly practices.

As a corporate entity, the company is committed towards sustainability. Ongoing dialogues with shareholders provide valuable approach with an objective that each business decision takes into account its social and environmental impacts and plans.

I) THE PHILOSOPHY

All CSR activities shall be driven by the core value of Inclusion. Scan Steels shall ensure that all developmental activities/ initiatives undertaken are accessible to the most marginalized segments such as children, women, elderly and those with disabilities. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, employment generation, infrastructure development, promotion of national heritage & culture etc.

Through the Group stands tall in the corporate world, with high ranking in terms of various parameters, Scan Group believes that the true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Through its social investments, Scan Group addresses the needs of communities residing in the



vicinity of its facilities, taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development and response to natural calamities.

II) PREAMBLE

The Policy outlines the company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare & sustainable development of the community at large.

The core elements of CSR is the continuing commitment by business to ethical principles, protection, of human rights care for the environment while improving the quality of life of all the stakeholders including the local community and society at large.

It is Company's conscious strategy to design and implement Social Investments/CSR programs, by enriching value chains that encompass the disadvantaged sections of society, especially those residing in rural India, through economic empowerment based on grass-root capacity building.

This Policy shall apply to all CSR initiatives and activities taken up at various work centers and locations of the company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

III) PURPOSE

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our the same
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Explain the manner in which the surpluses from CSR projects will be treated

IV) POLICY STATEMENT

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. We adopt an approach that



integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

V) SCOPE OF CSR ACTIVITIES IN SCAN STEELS

The Company has constituted a committee to undertake CSR activities within the purview of the guidelines as provided by the Ministry of Corporate Affairs and Company will undertake any activity as specified therein as its CSR Projects which inter alia provides the following:

- (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care 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;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) 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;
- (iv) 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;
- (v) 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;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;



- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) 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;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects;
- (xi) slum area development;

VI) MONITORING

The CSR department will provide regular progress report to the CSR Committee of the Board.

Our CSR governance structure will be headed by the Board Level CSR Committee that will be ultimately responsible for the CSR projects undertaken. The Committee will report to our Board of Directors.

A) Members

1. Shri Vinay Goyal - Chairman
2. Shri Punit Kedia - Member
3. Shri Ankur Maddan - Member

B) Responsibilities:

- Formulate and update our CSR Policy, which will be approved by the Board of SSL
- Suggest areas of intervention to the Board of SSL
- Approve projects that are in line with the CSR policy
- Put monitoring mechanisms in place to track the progress of each project.
- Recommend the CSR expenditure to the Board of SSL who will approve it.
- Meet at least twice a year to review the progress made.



VII) CSR FUNDS

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
- any income arising there from.
- surplus arising out of CSR activities carried out by the company and such surplus will not be part of business profit of the company.

This report would indicate:

1. Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
2. 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 shortfalls.
3. Actual year-to-date spends compared to the budget and reasons for variance.
4. In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

The Board shall seek a short progress report from the CSR Committee on a quarterly basis.
