

RAPICUT CARBIDES LIMITED

CORPORATE SOCIAL RESPONSIBILITY
POLICY

PREAMBLE

Based on the recommendation of the CSR Committee of the Directors of the Company, this Corporate Social Responsibility(CSR) Policy is duly approved and adopted unanimously by the Board of Directors at their meeting held on Thursday, the 13th November, 2014. This Policy applies to all CSR activities of the Company in India and the preferences for the local areas and areas around it where it has its operations for spending the amount earmarked for Corporate Social Responsibility activities. This Policy is framed in pursuance of Section 135 of the Companies Act, 2013.

OBJECTIVE

The main objective of CSR policy is to make CSR as a continuous process for sustainable growth and development of the Society and it lays down guidelines for the Company to make CSR a key business process for that objective. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. A strategic CSR programme that aligns business risks and opportunities with the national agenda of development priorities is envisaged to meet the needs and aspirations of the populace preferably around the operations or service centres of the Company.

BUDGETS

A specific Budget will be allocated for CSR activities. This budget will be in accordance with Section 135 of the Companies Act, 2013 and will be project driven.

Any surplus arising out of the CSR activities if any, will not form part of the Profit and Loss Account and any surplus will be spent for specified activities in addition to the budget fixed as per the norms of the Companies Act, 2013 and rules framed thereunder.

AREAS TO BE COVERED

Managing Director shall exercise delegated powers for approval of the project in accordance with CSR Policy and within the ceiling limit of the Budget for CSR approved by CSR Committee. Entire Budget would be spent on CSR activities within India and preference would be given to the local areas and areas around the establishment where it operates.

ACTIVITIES FOR SPENDING ON CSR

Activities relating to:-

- a) Eradicating Hunger and Poverty
- b) Promotion of Education
- c) Promoting gender equality and empowering women
- d) Reducing child mortality and improving maternal health
- e) Combating HIV, AIDS, Malaria and other diseases
- f) Ensuring environmental sustainability
- g) Social Business Projects
- h) Contribution to Prime Minister's National Relief Fund or any fund set up by the Central Government or State Government
- i) Distribution of Medicines
- j) Providing Sanitation facilities to families not having the facility.
- k) All the activities as mentioned in the Schedule VII of the Act.
- l) Such other activities or fund or Kosh as may be approved or announced by the Central or State Government.

IMPLEMENTATION

- a) The investment in CSR should be project based and for every project time framed periodic mile stones should be finalized at the outset.
- b) Project activities identified under CSR was implemented by Specialized Agencies and specifically designated staff of the organization. Specialized Agencies could be made to work singly or in tandem with other agencies and designated Company Staff.
- c) Such specialized agencies would include:
 - i. Community based organization whether formal or informal.
 - ii. Elected local bodies such as Panchayats
 - iii. Voluntary Agencies (NGOs)
 - iv. Institutes/Academic Organizations
 - v. Trusts, Mission etc.
 - vi. Self-help groups

vii. Government, Semi Government and autonomous Organizations.

(d) Activities related to Sustainable Development will form a significant element of the total initiatives of CSR. Such activities should come under the 3 UN Global Compact Principles pertaining to the Environment Business are asked to

- a) Support a precautionary approach to environmental challenges
- b) Undertake initiatives to promote greater environmental responsibility and
- c) Encourage the development and diffusion of environmentally friendly technologies.

(e) The activity will be specific to the village depending on the need assessed for the people.

As far as possible efforts will be made to co-ordinate with similar CSR activities taken up by the Central Government or State Government in the surrounding areas of the establishment.

MONITORING CSR ACTIVITY

Monitoring & Evaluation Framework

All activities will be governed by a pre-set monitoring and evaluation framework.

The framework will include the key performance indicators, milestones and reporting periodicity prior to commencement.

Key performance indicators will include both quantitative and qualitative measurable.

Financial and timelines based measurement will be included with regular financial and progress reporting mechanisms.

Key objectives of monitoring throughout the implementation period will be to establish whether:

- The projects are making satisfactory and timely progress towards the objectives agreed.
- The financial management and reporting are satisfactory.
- To flag any course correction required.

Projects will evaluate the success of social investments at the end of their implementation period and document any lessons learned.

PUBLIC INFORMATION

Documentation of CSR Policy, Programmes, Expenditures should be prepared and to be hosted on Company's Website for general information to Stakeholders.

REPORTING OF CSR ACTIVITIES

Audit of all the activities undertaken by the Company would be done by the Auditors of the Company. The CSR activity and expenditures will form part of Board's Report in the Annual Report and Financial Statements of the Company. The Committee will inspect all the sites where CSR activity is being carried out for their information, record and further action.

CONCLUSION

The above guidelines would form the framework around which the CSR activities would be undertaken.

Since CSR Policy of Company includes all the Community Development activities in a broader perspective, the CSR Policy of Company will supersede earlier policies relating to CSR, if any. Company will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.
