

Samaj Seva (Corporate Social Responsibility) Policy

1. Vision, Objective and Scope of the Policy

Shree Cement Ltd ('Shree' or 'SCL' or 'the Company') believes that for its operations and growth to be sustainable, it has to be responsible. Its progress is thus underlined by strict adherence to environment preservation, social upliftment and financial prudence. Shree believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people associated with it. Shree considers social responsibility as a voluntary act rather than an additional activity mandated by statute. It has therefore named it as 'Samaj Seva'. This Samaj Seva or Corporate Social Responsibility policy ('Policy') considers this vision in its scope and implementation.

Shree aims to keep all its stakeholders happy and prospering. Its objective is therefore to work towards creating happy and harmonious relationship with the people and communities in the vicinity of its operation. The 'Samaj Seva' or 'CSR' programmes will focus supporting needy people of the society for their upliftment and thus may include people / programs which may not be related to its operations. The board areas of CSR activities identified for being taken up by Shree are detailed in Annex-A to this Policy which are also aligned to Schedule VII to the Companies Act, 2013 (as amended from time-to-time) ('the Act'). This will, however, keep changing depending upon need assessment and periodic review by the management of Shree.

2. Mandate of Corporate Social Responsibility

SCL fulfills the criteria laid down under Section 135 of the Act and is hence required to spend at least 2% of its average net profit of last three financial years towards eligible CSR activities as specified under Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time-to-time) ('the Rules') and Schedule VII to the Act.

The objective of this Policy is to provide an overall framework, principles and guidelines to the Company for conducting CSR activities in line with Section 135 of the Act and the Rules and other applicable laws and regulations, as amended from time to time.

3. Board Committee

The Board of Directors of the Company has formed a Corporate Social and Business Responsibility Committee ('CSR Committee'/'Committee') of the Board which shall oversee the CSR activities of the Company and implementation thereof as required under the Act. The Committee shall suggest ways in which the amount on CSR activities can be incurred considering locational needs, type of activities, expected benefits, statutory requirements, etc.

The CSR Committee shall meet at least once in a year to review annual action plan and monitor the CSR projects/programmes. The quorum shall be two members. In case of urgent matters, the

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Committee may resolve to pass the same through circulation. For operational convenience, the Committee may also delegate its power, authority, role and responsibility to any Director of the Company or any sub-committee of the Directors/ management.

The Committee shall meet as frequently as desired, to review policies, discuss the budget and strategy, review project progress and set the direction for the future.

4. Identification of projects and Modalities of Project Execution

The scope of activities which, the Company will undertake towards fulfillment of its CSR obligations shall be in line with Schedule VII of the Act.

Efforts will be made for ensuring participation of all relevant stakeholders in identifying social development interventions which will include consultation with the relevant stakeholders and understanding their requirements and needs. As far as possible efforts will also be made to co-ordinate with similar CSR activities that are taken up by Govt. / other agencies. Thus, the Company shall seek to form partnerships and work in collaboration with local / state Governments and their agencies, District Authorities, village panchayats, NGOs and other likeminded agencies to widen its reach and leverage upon the collective expertise and experience of these agencies. Shree will also consider projects outside its local periphery in distant areas if the issues sought to be addressed are considered to be worthy of intervention. Such projects may be undertaken by the Company or through outside implementing agency(ies).

The CSR Committee, while formulating the Annual Action Plan and recommending to the Board, will accord priority to projects in the specific areas of the Company as mentioned above. The CSR activities specified under this Policy would be undertaken only in India and the preference shall be given to the local area and/or areas in the vicinity, where the Company operates, for spending the amount earmarked for CSR activities.

5. Formulation of Annual Action Plan

- (a) The Management shall place before the CSR Committee as well as before the Board, the Annual Action Plan at the first Meeting of the Financial Year wherein the annual accounts of the Company shall be considered for approval which may be amended from time to time as recommended by the CSR Committee and approved by the Board.
- (b) The Annual Action Plan shall include the following:
 - i. the list of CSR activities that are approved to be undertaken in the areas or subjects specified in Schedule VII of the Act;
 - ii. the manner of execution of such projects or programmes as specified in Rule 4(1) of the Rules;
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;

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- iv. monitoring and reporting mechanism for the projects or programmes; and
 - v. details of need and impact assessment, if any, for the projects undertaken by the company.
- (c) The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee or may delegate the power of the alteration of the plan to Environment Social and Governance Committee (**'ESG Committee'**)/ Executive Director of the Company. However, the duly modified plan shall be placed before the CSR Committee and Board at the end of the year for its noting.

6. Additional Projects and activities

Apart from activities incorporated in Annexure – A to this Policy, other projects may also be taken up by the ESG Committee and the Senior Management. These projects will be considered on case-to-case basis to ascertain if they are worthy of intervention by the Company either by Company itself or through providing support to outside implementing agency.

Provided that if the Company, decides to undertake its CSR activities through a Company established under section 8 of the Act or a registered trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 other than those specified hereinabove, such Company or trust or society shall have an established track record of three years in undertaking similar programs or projects and fulfils the eligibility requirements mentioned under the Rules or any other provision of the Act. The Company will implement adequate monitoring mechanism to ensure that Company's contribution is utilized in line with the instructions of the Company and a progress report is submitted by the implementing agency to this effect.

The Company will ensure that the projects/ activities fall within the purview of the activities as specified in the Rules. Any such major project shall be put up before the Board for its perusal and approval. A consolidated list of other such projects considered on case to case basis may also be presented to the Board for information.

7. Organisational mechanism, implementation responsibilities and Performance Management

A dedicated 'Samaj Seva' team for undertaking various initiatives related to CSR activities included in this Policy has been engaged. This team has representatives appointed at each location who are responsible for implementation of the initiatives/ projects.

ESG Committee and Senior Management of the Company shall give the direction and exercise supervision for effective implementation of the CSR activities. In case of social activities or projects, that are outside the local periphery of Shree's operations, are undertaken by outside implementation agency eligible under Rule 4 of the Rules to undertake CSR activities, then it shall be ensured that the expenses are incurred by the implementing agency as per the instructions and

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on the activities as specified by the Company. To the extent possible, Samaj Seva team or other Company officials is also engaged in supervision and monitoring of CSR projects.

The implementing agencies, shall keep the Company informed about the utilization of funds to the Company from time to time. The Chief Finance Officer or any other officer responsible for financial management of the Company shall certify on annual basis to the Board and CSR Committee on proper utilization of CSR funds for stated objectives. Where the CSR amount spent results or resulted in creation or acquisition of capital asset, the Company shall inform to the CSR Committee about the entity holding the capital asset in accordance with the Rules at appropriate time.

In respect of all projects/ activities involving outlay of INR 1.00 Crore or more, the Company shall carry out impact assessment studies of such projects through an independent agency within one year of their completion. Company shall select such projects in terms of outlay involved on relevant geographical area/ operational unit.

8. Information dissemination and Policy Communication

Company's engagement in CSR activities shall be disseminated through its annual reports, Corporate Sustainability Reports, in-house journals and media. Further the composition of CSR Committee, this Policy and approved CSR projects shall be uploaded on the Company's website.

9. Review of Policy

The CSR policy shall be subject to review/amendment by the Board at the instance of the CSR Committee. Any amendments in the Act or Rules or any applicable law including any clarifications/ circulars of relevant regulator, if mandatory, shall be read in conjunction with this Policy such that the Policy shall automatically reflect the contemporaneous applicable law at the time of its implementation.

ANNEXURE – A

The CSR activities of the Company shall, amongst other activities, include the following:

i. Eradicating hunger, poverty and malnutrition, promoting 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

- a. Providing health care facilities through Shree Health Management Centre established at its manufacturing locations including arranging ambulance services;
- b. Financial aid/ other items provided to hospitals/ health management centres / dispensaries/ Anganwadi centres, etc. for improving healthcare facilities;
- c. Arranging health check-up/ surgical camps for public in general;
- d. Undertaking special initiatives for pregnant women for ensuring proper institutionalized delivery and care for their new-born children;
- e. Expenses on special treatment of under-privileged people;
- f. Financial help to dependents of people suffer casualty / fatality nearby Company's plants;
- g. Creating awareness about proper hygiene and sanitization practice for promoting preventive health care;
- h. Other health related activities e.g. diagnostic assistance, treatment, ambulance, distribution of medicines, etc.;
- i. Financial contribution or pro-bono assistance to local bodies, district administration, State and Central Government to support situations of natural calamity, manmade disasters, mass disruption, pandemic, epidemic, etc. including contribution to fund set-up for such purposes by relevant authorities;
- j. Arranging safe drinking water supply through water tanks, construction / repairing of water system / water tanks / / water huts / installation of RO, etc.;
- k. Supply of company's products or services, incidental or ancillary, on free-of-cost or concessional basis for any of the above purposes;
- l. Any other activity which may be permitted.

ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently able and livelihood enhancement projects

- a. Assisting school education through company run schools in nearby areas including financial assistance schools around the plant premises;
- b. Expenses on providing education to non-school going children and providing teaching support e.g. coaching classes, extra-curriculum activities for .
- c. Providing help to nearby schools in the form of:
 - o construction/ repairing work/ infrastructure support
 - o providing stools / desk/ furniture to schools
 - o Providing computers/ books/ stationery/ other education items

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- Promoting celebration of special days/ event of national importance through items/ sweets, distribution etc.;
 - d. Financial aid for training on vocational courses including providing in-house training to students undertaking professional courses;
 - e. Providing scholarships for bright / needy students, arranging study tours, etc.;
 - f. Promoting computer literacy through establishment of computer literacy centres, running computer classes or otherwise in any manner;
 - g. Imparting skill development training and providing means and equipment for promoting livelihood enhancement activities to needy;
 - h. Providing employability trainings to masons to improve their knowledge and skill about construction techniques and practices;
 - i. Organizing events, seminars, visits for increasing public awareness and knowledge about civic rights and duties, issues of mass importance including consumer awareness initiative in general;
 - j. Supply of company's products or services, incidental or ancillary, on free-of-cost or concessional basis for any of the above purposes;
 - k. Any other activity which may be permitted.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups**
- a. Financial help for running of old age centres / orphanages / day care centres;
 - b. Helping old age people / socially and economically backward people through medical aid, safety and security, legal assistance and other supporting activities;
 - c. Financial aid for infrastructure/ house construction to poor/ orphans;
 - d. Provide financial support or in-kind support on marriage of girl of families under below-poverty line residing nearby its manufacturing facilities;
 - e. Providing financial assistance on birth of girl child in families under below-poverty line to improve gender ratio;
 - f. Organizing training and running various income generating activities for benefit women of nearby communities for their empowerment;
 - g. Support to Self-Help Groups for benefit of rural women and arrange orientation programs on functioning of SHG;
 - h. Helping marginal farmers through financial aid towards agriculture equipment, distribution of seeds and arranging exposure visits to improve their farming knowledge;
 - i. Distribution of food, blankets, clothes and other daily essentials to needy, orphans, persons of marginalized communities in nearby vicinity;
 - j. Any other activity which may be permitted.
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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

- a. Creating awareness among nearby communities specially children and students towards protection of environment;
- b. Undertaking tree/ sapling plantation activities in nearby vicinities including post plantation care and protect flora and fauna;
- c. Construction of water harvesting structures, water recharging systems, etc. to conserve water;
- d. Promotion and installation of solar lights in nearby villages and vicinity;
- e. Support for animal welfare in form of development of living space, sheds, drinking water facilities, etc.
- f. Financial contribution to local gram panchayat for undertaking various activities of environment protection;
- g. Undertaking various activities related to natural resources conservation, improving environment and promoting sustainability;
- h. Any other activity which may be permitted.

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

- a. Providing financial assistance/ support to various cultural institutions;
- b. Conservation and promotion of local culture and tradition through financial aid for organizing local fairs, functions, events, etc.
- c. Financial contribution for construction, restoration, repair or protect sites and buildings of historical importance including famous religious places;
- d. Sponsoring and supporting events organized by various institutions, private bodies that promote literature, music, poetry, folk, art, etc. and encourages artists, writers, musicians, etc. to showcase their talent;
- e. Organizing talk shows, discussion events on topics of national and general importance to create public awareness
- f. Promoting culture through jhankis and cultural events depicting mythological stories and characters of ancient Indian culture including promotion of Indian culture on anniversary of temple located at Shree premises;
- g. Any other activity which may be permitted.

vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows

- a. Financial assistance to war widows, dependents of war deceased and families of armed forces martyred during army operations;
- b. Assistance and financial contribution to institutions helping war veterans;

- c. Supply of company's products or services, incidental or ancillary, on free-of-cost or concessional basis for any of the above purposes;
- d. Any other activity which may be permitted

vii. Training to promote rural sports, nationally recognized sports, paralympics sports and olympic sports

- a. Providing direct contribution / financial aid for undertaking sporting activities in nearby vicinities/ in school;
- b. Providing financial aid/ donation of sporting equipment to needy people for training and pursuing sporting career;
- c. Financial contribution and support to organizations engaged in promoting sports in general;
- d. Any other activity which may be permitted

viii. Rural development projects

- a. Undertaking construction and repairing of roads (bituminous or cemented), pavements, culverts in nearby villages and communities of its operational facilities;
- b. Undertaking construction of assets for community usage e.g. community halls, bus waiting sheds, cremation places, pathway, safety way, boundary walls and other such work for rural infrastructure development;
- c. Construction / painting/ repair of rural facilities/ offices including government offices for infrastructure improvement for ensuing better public delivery services;
- d. Any other activity which may be permitted.

ix. disaster management, including relief, rehabilitation and reconstruction activities

- a. Financial contribution to National or State Disaster Management Authority;
- b. Providing support for relief, rehabilitation and reconstruction activities for people/ victims affected by natural or manmade disasters;
- c. Any other activity which may be permitted.

The above list is illustrative and not exhaustive.