



FACOR ALLOYS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

(As approved by the Board of Directors on 13TH February 2015)



FACOR ALLOYS LIMITED

Corporate Social Responsibility Policy

A. POLICY OBJECTIVE

Facor Alloys Limited ('FAL' or 'the Company') is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

B. POLICY DETAILS

Core Values

The CSR activities of the Company will be implemented in accordance with the following core values:

Protecting Stakeholder Interests

- Proactively engage with relevant stakeholders, understand their concerns and be responsive to their needs
- Use & promote systematic processes to engage with the stakeholders and address their issues in a just, fair and equitable manner

Proactive Engagement with the Local Communities

- Respecting cultural ethnicity and dignity of individuals and foster positive relationship with the people in the project areas where the Company operates
- Providing development opportunities to local communities in a culturally appropriate manner, in consultation & cooperation with local government authorities and other stakeholders, as may be appropriate.

Inclusive Development

- Developing local entrepreneurship and encouraging use of local goods, services and manpower to promote inclusive economic growth of local area
- Channelizing resources & efforts towards making positive and sustainable contribution in social and economic development
- Aligning CSR practices & programs to complement and support the developmental priorities at

local, state and national levels

- Inclusive approach towards stakeholders and promote diversity through affirmative action

CSR Activities

The CSR activities will be focused on the five broad themes with goals to improve overall socio-economic indicators of Company's area of operation:

- Promoting healthcare, sanitation and making safe drinking water available
- Employment enhancement through training and vocational skill development
- Income enhancement through farm based and other livelihood opportunities
- Promoting education and sports
- Ensuring sustainable environment

The CSR projects and programs to be undertaken by the Company shall include activities falling within the preview of schedule VII of Companies Act, 2013. These programs will be executed by FAL and where appropriate in partnership with local government, various NGO partners, service providers and others.

The list of CSR projects and programs of the Company is enclosed as **Annexure 1**. The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

The surplus, if any, arising out of CSR initiatives of the Company shall not form part of its business profits.

Monitoring Mechanism

Monitoring of the CSR activities would be done, which may include:

- periodic third party assessment of key programs
- baseline and impact assessment with key indicators in our areas of operation every two years and
- regular review by the CSR Committee and reporting to the Board on:
 - amount spent on each activity and
 - achievement against milestones and objectives

Responsibility

The responsibility for compliance with this policy lies with the CSR Committee, the Directors, Chief Executive Officer, Senior Managers and all employees and consultants working for FAL.

Review of Policy

The CSR Policy will be reviewed on or before 31st March, 2017 or as may be recommended by the CSR Committee of the Company.

C. ANNEXURE

Policy Annexure 1

Facor Alloys Limited Corporate Social Responsibility - Key Programs

Company has been traditionally engaged in doing CSR activities voluntarily in the last more than five decades. It has created infrastructure in a big way in respect of following activities :-

- a. To promote quality education starting from nursery level to Post Graduate level. Five educational institutions including one for physically impaired children are running to impart quality education aiming to improve academic performance, enrolment, reduction in gender gap and drop-out rate;
- b. To promote preventive health care, sanitation and making safe drinking water available in above mentioned educational institutions and also encouraged the local Lions Club through which it supports 55-bed OEU Lions Eye Hospital;
- c. To ensure 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, a beautiful green belt in large area has been developed in and around the Industry;
- d. Setting up old age homes and other facilities;
- e. Though not covered under Schedule VII CSR activities, Kalyana Mandapam for performing the marriages and other social functions have been constructed with all the required amenities and equipments;
- f. Providing preliminary/preventive Health care services through a dispensary to the rural population in FAL's area of operation.