

**THE INDIAN STEEL & WIRE PRODUCTS LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

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**CSR VISION STATEMENT & OBJECTIVE**

The Tata Steel Group focuses in the area of corporate sustainability which includes Social Sustainability, Environmental Sustainability, Social Welfare, Sports, and Inclusive Growth. This ensures that the Group's success is shared by all its constituents and stakeholders.

In alignment with vision of the Company, The Indian Steel & Wire Products Ltd. ("**ISWP**") believes in Triple Bottom Line (People, Planet and Profit) approach. Through its CSR initiatives, it strives to enhance value creation in the society and community, in fulfillment of its role as a Socially Responsible Corporate.

The objective of ISWP's CSR Policy is to "improve the quality of life of the communities we serve through long term value creation for all the stakeholders", which is in line with that of the Tata Group.

The company shall allocate at least 2% of its average net profits before taxes of the preceding three years, towards CSR activities to sustain and improve a healthy and prosperous environment and to improve the quality of life of the communities it serves. The company may also utilize its products and services as suitable for its CSR activities. Any surplus arising out of CSR projects or programmes or activities shall not form a part of the business profits of the company and shall be utilized in the manner specified in the Companies Act, 2013 and Rules there under.

**PURPOSE OF CSR POLICY**

- Depicts the Company's approach towards the society.
- Identifies the project areas specified by the statute.
- Indicates the activities to be undertaken by the Company under CSR category.
- It is a guiding document to implement, monitor and review the CSR activities.
- Explains the manner of CSR expenditure and treatment of surpluses arising out of CSR activities.

**POLICY STATEMENT**

ISWP's CSR Policy is based on sustainable development and inclusive growth. The CSR policy focuses on people, planet and profit. The CSR activities of ISWP emphasizes on enhancing societal sustainability. Equitable development of society is a key area of focus as per the Company's policy.

**GOVERNANCE**

1. At the helm of the governance mechanism is the Board of Directors who shall have the overall responsibility to ensure that the funds disbursed towards CSR activities have been utilized for such purposes and in the manner as approved by the Board.
2. The CSR Committee will govern and review the CSR activities of the Company from time to time. The CSR Committee shall formulate and recommend the Annual Action Plan for CSR to the Board for its approval. The Plan will include the list of CSR Programmes to be carried out during the financial year along with the manner of execution and utilization of funds across interventions and locations. Any deviation from the approved Annual Action Plan will only be made with the prior approval of the Board, on recommendation of CSR Committee.
3. Managing Director will assign the task of implementation of the Annual Action Plan within specified budgets and timeframes to such persons or bodies as he may deem fit.

4. The persons / bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the Committee within the specified budgets and timeframes and report back to the Committee on the progress thereon at such frequency as the Managing Director may direct.
5. Managing Director shall review the implementation of the CSR Programmes once a quarter and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
6. Once in every three months, the Managing Director will provide a status update to the CSR Committee on the progress of implementation of the approved CSR Programmes carried out during the quarter. It shall be the responsibility of the CSR Committee to review such reports and keep the Board apprised of the status of implementation of the same.
7. At the end of every financial year, the CSR Committee will submit its report to the Board.
8. The Chief Financial Officer of the Company shall, on an annual basis, certify to the Board of Directors with respect to the utilization of funds earmarked towards CSR Activities.

## **IMPLEMENTATION**

### **ISWP CSR Committee:**

As prescribed by the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee to oversee the implementation of CSR Policy. CSR of the Company will be governed by CSR Committee in a transparent and accountable manner, and the Committee will be ultimately responsible for the CSR projects undertaken. The committee will report to the Board of Directors.

### **Members of CSR committee:**

- ~~Mr. Sandeep Bhattacharya, Chairman~~
- ~~Mr. Ramya Hariharan, Member~~
- ~~Mr. Neeraj Kant, Member~~

### **Responsibilities of the Committee:**

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company.
- Approve projects that are aligned to Company's CSR policy.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Institute a transparent monitoring mechanism for implementation of CSR projects and CSR policy of the Company from time to time.

Company's CSR Programmes are implemented through Company personnel or external implementing agencies. In such cases, the Company will specify the CSR Programmes which may be undertaken by those implementing agencies in accordance with the Company's objective.

The whole process will be divided under the following heads:

1. Process of Implementation:
  - (i) Identification of Programmes
  - (ii) Area of CSR Activity
  - (iii) Project Based Approach
  - (iv) Long term Programmes
2. Executing Partners/ Agencies

3. Powers for Approval
4. Agreement between ISWP and implementing agency.
5. Monitoring & Feedback

### **AREAS TO BE TARGETED**

The poor and needy section of the society near the vicinity of the company and the areas having no corporate intervention. The focus of the CSR Programmes will be the underprivileged sections of the society particularly the Scheduled Castes & Scheduled Tribes, besides development components for the entire population.

### **Thrust Areas and Budget Allocation**

ISWP intends to expand its CSR projects in the following sector/ thrust area:

1. Education/ Literacy enhancement
2. Employability & Skill Development/ Empowerment
3. Infrastructure Development & Maintenance
4. Drinking Water & Sanitation
5. Health Care/ Medical facility
6. Environment Protection
7. Prime Minister's National Relief Fund (as per requirement)
8. Rural Development

A specific budget is allocated for CSR activities. This budget is project driven. The actual distribution of expenditure among the thrust areas will depend upon the local needs as may be determined by the need identification studies or discussion with local government / bodies/ citizen's/ NGO's and opinion leaders of the society.

### **CSR EXPENDITURE**

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved Annual Action Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

### **DOCUMENTATION AND REPORTING**

The CSR Committee will prepare the annual CSR Report to be filed by the Company on approval of the Board. This report will ensure:

- CSR projects and programmes are being properly documented.
- An MIS is maintained on expenditure across sectors and geographies and beneficiaries impacted. The MIS structure will be in line with the prescribed reporting format.
- Accountability is fixed at each level of CSR process and implementation.
- A repository of case studies and good practices is being maintained.

### **APPROACH**

The Company's CSR will revolve around six guiding principles – Impact, Partnerships, Affirmative Action, Volunteerism, Communication and Innovation.

- **Impact** – All CSR initiatives will have well-defined KPIs to measure impacts on target groups. For high impact projects, there will be independent, third-party assessments and feedback will be a key input for redesign and / or rollout of further initiatives.

- **Partnerships** – The Company will forge collaborations with business partners, other Tata Group companies and like-minded corporate organizations, funding agencies, non- government organizations, community-based organizations, Governments and Government organizations, based on well-defined selection criteria. Partners will bring in complementary resources, expertise and influence which would be leveraged to force- multiply the company's CSR initiatives.

The Company may engage closely with Tata Steel / Tata Trusts and work jointly on projects which are aligned to the Company's CSR strategy and in its operational areas. The Company will also leverage the products and services of Tata group companies for its CSR initiatives in alignment with its CSR strategy.

- **Affirmative Action** - the Company will design targeted interventions for Scheduled Castes and Scheduled Tribes to promote Education, Employability, Employment and Entrepreneurship. The Company will also work on promoting Ethnicity to preserve the cultural fabric of these communities.
- **Volunteerism** – The Company is committed to providing opportunities to its employees, their families and the larger ecosystem to engage in volunteering activities that will benefit the communities in which they live and work, and at the same time, support Company's own CSR efforts. This will not only deepen local community connect but will also leverage in-house skills in addressing social challenges, thereby creating both social and business impacts.
- **Communication** – The Company will have a two-way communication channel, so that the stakeholders' needs, expectations and aspirations can be mapped and their feedback and satisfaction levels can be obtained and assessed for the purpose of design and improvement of initiatives.
- **Innovation** – The Company will endeavour to develop innovative solutions to solve seemingly intractable social problems. These will encompass technology, as well as models for sourcing, partnering and delivery of initiatives.

#### **REVIEW OF POLICY**

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.