

ALKALI METALS LIMITED

Corporate Social Responsibility Policy

Introduction:

Alkali Metals Limited has been responsible Corporate Citizen and has always made some contribution to the society in some way.

The Companies Act, 2013 puts a formal and greater responsibility on companies to set out clear framework and process to ensure strict compliance. In accordance with the provisions of Section 135 of the Companies Act, 2013 (“the Act”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, the Company has developed this policy which is known as “**Alkali Metals Limited CSR Policy**”.

The said policy shall be amended as and when required subject to approval of the Board.

Objectives of the policy:

This policy provides the guiding principles and mechanisms for undertaking various CSR activities/programs which will be taken by the Company.

It intends to create a positive societal impact while the Company carries out its economic activities. This Policy covers current as well as proposed CSR activities to be undertaken by the Company and examining their alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only which include:

- To provide education for all round development of the needy people
- To contribute to the development of the under-privileged.
- To provide health care, medical facilities and financial assistance for health and medical purposes to the needy people
- To carry out such other activities as specified in Schedule VII of the Companies Act, 2013

Areas of Focus:

The CSR activities that will be undertaken shall be as per Schedule VII of the Companies Act, 2013.

CSR Committee Composition:

Every company to which the provisions of CSR are applicable, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. In accordance with the same the composition of the CSR Committee is stated as under:

1. Sri K.V. Suryaprakash Rao, Independent Director
2. Sri Y.S.R. Venkata Rao, Managing Director
3. Sri G. Jayaraman, Independent Director

Following are the Powers of the CSR Committee:

- i. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval.
- ii. Recommend CSR activities as stated under Schedule VII of the Act.
- iii. Recommend the CSR Budget.
- iv. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors in accordance with the Act and the CSR Rules.
- v. Monitor the CSR policy from time to time.
- vi. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company.
- vii. Monitor CSR Policy from time to time.

Meetings:

The CSR Committee shall meet at least twice in a year. The quorum of the meetings shall be two. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Companies Act, 2013 and rules made thereunder from time to time.

Mode of implementation:

The CSR activities may be implemented by the Company directly or through

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

CSR Expenditure

The Act mandates Companies meeting the qualification criteria to spend at least 2 % of the average net profits of the Company made during the three immediately preceding financial years. The Company can spend such other amount as recommended by the Committee and approved by the Board in accordance with applicable laws.

(Net profits here means the profit calculated in accordance with the provision of Section 198 of the Companies Act, 2013 and other applicable provisions)

Unspent Expenditure

Pursuant to Schedule VII of the Companies Act, 2013

- i. In case there is any ongoing project and the amount remains unutilized/unspent then:
 - the amount has to be transferred within 30 days of the closure of the financial year to “Unspent CSR Account”.
 - if the above amount remains unutilized/unspent for 3 years then after the completion of the 30 days from the end of the 3rd financial year the said amount shall be transferred to PM National Relief Fund etc.
- ii. In case there is no ongoing project and the amount remains unutilized/unspent then- the amount needs to be transferred within six months from the end of the financial year to PM National Relief Fund etc.

Excess Expenditure

In case the Company spends amount exceeding the limits specified in the Section 135 of the ACT, then the Company may take setoff of such excess spend against the obligation to spend in the immediate succeeding 3 (three) financial years' subject to following conditions:

- i. Excess amount available for setoff shall not include the surplus arising out of the CSR activities if any and
- ii. The Board has to pass resolution to that effect

Reporting/Disclosure

The Annual Report on CSR shall be included in the Board's Report.

The Composition of the CSR Committee, the activities approved by the Board and CSR policy shall be disseminated on the website of the Company.
