

Oswal Minerals Limited

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Corporate Social Responsibility Policy

Oswal Minerals Limited

Corporate Social Responsibility Policy

Background:

The Corporate Social Responsibility Committee is constituted by the Board of Directors of Oswal Minerals Limited ("the Company") in their meeting held on 13th February, 2015 in compliance with Section 135 of the Companies Act, 2013 ("the Act") read alongwith Schedule VII & the applicable rules thereto. The Corporate Social Responsibility (CSR) Policy ("the policy") is in compliance with Section 135(3) of the Act read along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the rules").

The composition of the said Committee comprises of three directors viz.,

1. Mr. Sripal Kumar Mohanlal, Managing Director
2. Mr. Mohanlal Bharath Kumar Jain, Whole Time Director
3. Mr. Dinesh Jain, Independent Director

Objective:

The main objective of the Policy is to endeavor for sustainable development for the society and enhance value creation, goodwill & recognition of the company in the society.

Scope:

This Policy shall apply to all CSR projects/programmers/activities undertaken by the Company in India as per Schedule VII of the Act.

Currently the following activities are permissible under schedule VII of the Act:

- a. Eradicating extreme hunger and poverty;
- b. Promotion of education;
- c. Promoting gender equality and empowering women;
- d. Ensuring environmental sustainability;
- e. Rural Development projects;
- f. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- g. Protection of National heritage;
- h. Training to promote rural sports;
- i. Measures for the benefits of armed forces veterans, war widows & their dependents;

Oswal Minerals Limited

Corporate Social Responsibility Policy

- j. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

Definitions:

1. **Corporate Social Responsibility (CSR)** means and includes but is not limited to: Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
2. **CSR Committee** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
3. **CSR Policy** relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon.
4. **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
 - i. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
 - ii. any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 2013 shall not be required to be re-calculated in accordance with the provisions of the Act.

Role of the CSR Committee:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.

Oswal Minerals Limited

Corporate Social Responsibility Policy

- Monitor the implementation of the CSR Policy from time to time.
- Such other functions as the Board may deem fit.

Role of the Board:

1. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
2. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
3. The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;
4. Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates;
5. As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

CSR activities for implementation:

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

Oswal Minerals Limited

Corporate Social Responsibility Policy

CSR Expenditure:

In compliance of the Act & with the approval of the Board of Directors, the CSR Committee shall endeavor to spend at least 2% of the average net profits of the three immediately preceding financial years on CSR Activities as enumerated above.

CSR spend shall be made on or before 31st March of the relevant financial year.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

CSR Monitoring & Reporting Framework:

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

Meetings of the CSR Committee:

The CSR Committee may meet at such intervals as may be considered appropriate by the Committee or as and when required.

Besides the physical meeting, the Committee may hold a meeting through video conference or tele-conference or any other similar mode.

Notice & Agenda of the Meetings:

A notice of not less than 7 working days before the date of the meeting specifying the date, time & venue of the meeting together with the list of business to be conducted at the meeting shall be circulated to each member of the Committee either physically or by electronic means.

Oswal Minerals Limited

Corporate Social Responsibility Policy

The meeting may be called at shorter notice or the notice period may be waived off provided the consent of all the members is recorded in writing.

Quorum:

Minimum two (2) members shall constitute a quorum for the Committee meeting.

Secretary:

The Company Secretary shall act as the secretary of the Committee meetings.

Minutes of the Meeting:

The Secretary shall be responsible for drafting & maintaining the minutes of the CSR Committee meetings.

The draft minutes will be circulated to the members for their inputs and each approved minutes will be placed before the Board of Directors for noting.

Exclusion from CSR:

The following activity shall not form part of the CSR activities of the Company:

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

Disclosures:

The Company's CSR Policy will be published on its website. The Annual Report of the Company shall include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.

Miscellaneous:

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.