



Corporate Social Responsibility Policy

RAMGAD MINERALS AND MINING LIMITED

PREFACE:

Corporate Social Responsibility (CSR) is the way to conduct business at **Ramgad Minerals and Mining Limited** that achieves a balance or integration of economic, environmental and social imperatives while, at the same time addressing the shareholders and stakeholder's expectations. The company's corporate policy comprises its business concept, its shared values, corporate social responsibility, business ethics and its other fundamental aspects.

RMML's CSR policy is based on five cardinals' **Creativity, Commitment, Concern, Care** and **Core values** in each of the CSR activities.

RMML's sustainability framework is built on the principles of inclusive growth and responsible business conduct. We have drawn inputs for the framework from a materiality assessment which delineates material issues for RMML. The sustainability agenda at RMML is driven by the Chairman and Managing Director, ably supported by a cross functional team.

RMML strives to improve people's living conditions, strengthen relationships with local communities, foster social wellbeing, respect local cultures and minimize the impact of its actions.

RMML believes in being good neighbors to the communities where it operates. Through our community engagement, we aim to provide avenues that improve the lives of our communities. The ongoing company's efforts in providing effective social development projects will continue to be sensitive to the needs of our communities.

Policy Objectives:

The policy objective is to provide a reference point to guide the employees and stakeholders on the values, which drive the conduct of Company's business and relationship with the world in which we operate.

Purpose of the policy:



The purpose of CSR policy is to; (a) inform all stake holders as to what corporate social responsibility mean to us in the company (b) remain consistent with our commitment and approaches towards CSR (c) provide general guidelines to all implementing stakeholders / agencies who are dealing with CSR within the company towards achieving overall CSR goals (d) articulate CSR Commitment on the part of conducting business

Scope:

For RMML, the scope of CSR is wide as there are already many good CSR initiatives / projects that exist with the Company, and aligned with new CSR programs prescribed under the Companies Act 2013.

Consequent to MCA’s notification of 22 January 2021, the CSR policy was reviewed to make it more relevant, focused and aligned with the changes in the Companies (Corporate Social Responsibility) Rules, 2014.

The philosophy:

The Company is guided by its values which drive it to conduct its business in a responsible manner. It firmly believes that Company’s growth goes along with the growth of society.

It, therefore, becomes, evident that for a business must, with its knowledge, technical and managerial competences and wealth, contribute to the growth of society and the environment.

Principles and practices:

The Company is committed to demonstrate its responsibilities vis-à-vis its relationship with the world. All its business units will allocate responsibility for dissemination, discussion and embedding of the principles described in the policy in to corporate culture and provide regular and timely feedback on progress.

What CSR implies to us:

The Company commits to engage itself with stakeholders and in pursuance thereof, integrate those practices which continue to identify and address the concerns and



expectations of all its stakeholders. In this context, the approach would be mainstreaming CSR within the company through translating Company's commitment in to policies which will not only drive all its employees, but also motivate its stakeholders to perform well through conducting ethical and transparent business, legal compliance, human rights, environment, health and safety and supply chain of the business, processes throughout the value chain. Further, the Company's approach would be as to how it shares its wealth for the improvement of the quality of life of marginalized and vulnerable communities not only where it operates but also anywhere in India.

Stakeholders' engagement policy:

The Company is committed to institutionalize a stakeholder's model of CSR and thereby uphold its commitment towards mitigating the concerns and aspirations of all its stakeholders. It will, from this purpose, institutionalize a strategy to engage with the stakeholders to have two way communications through various modes of engagement.

DEFINITIONS:

- (i) "Act" means the Companies Act, 2013.
- (ii) "Board of Directors" or "Board" means the collective body of the directors of the company.
- (iii) "Company" means "Ramgad Minerals and Mining Limited".
- (iv) "CSR Committee" means Corporate Social Responsibility Committee constituted by the Board of Directors of the company from time to time.
- (v) "CSR Policy" means CSR Policy of Ramgad Minerals and Mining Limited.
- (vi) "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (vii) "Implementing Agency" means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:



Composition:

The Corporate Social Responsibility (CSR) committee was constituted by the Board of Directors and currently it consists of 04 (Four) Directors out of which 02 (Two) are Independent Directors.

Functions of CSR Committee:

The functions of the CSR committee are:

- a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act;
- b) To recommend the amount of expenditure to be incurred on the above activities in a financial year;
- c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
 - (i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
 - (ii) the manner of execution of such projects or programs as specified in CSR Rules;
 - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programs;
 - (iv) monitoring and reporting mechanism for the projects or programs; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the company;
- d) To Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.;
- e) To monitor the CSR Policy as approved by the Board from time to time.

The CSR Committee should recommend the approach and direction of CSR activities to be undertaken by the company and also provide Guiding principles for

- (i) Selection of CSR projects / programmes / activities
- (ii) Implementation of CSR projects / programmes / activities
- (iii) Monitoring of CSR projects / programmes / activities
- (iv) Formulation of the annual action plan



Role of The Board:

The Board of Directors of the company shall:

- i. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy and the Annual CSR Action Plan of the company.
- ii. Ensure that the activities as are included in CSR policy of the Company are undertaken by the company.
- iii. The Board of Directors of the Company shall disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.
- iv. The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- v. In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- vi. The Board may alter the CSR Annual Action Plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.
- vii. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

CSR ACTIVITIES:

- A. The Company shall ensure that the CSR Activities that are undertaken by the Company are broadly related to any of the following which are specified in Schedule VII**
- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation;
 - (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly, and the differently abled and livelihood enhancement projects;
 - (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 back ward groups;
 - (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;
- (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;
 - (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;
 - (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
 - (viii) Rural development projects;
 - (ix) Development of area declared as “slum area” by the Government or Competent Authority.;
 - (x) Disaster management including relief, rehabilitation and reconstruction activities.

B. The Company may also contribute to the following funds as part of its CSR activities as specified in Schedule VII:

- (i) Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (iii) Prime Minister’s National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (xi) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- (xii) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development



Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the company. The CSR Committee should consider the details of the CSR projects as elaborated in the annual action plan for each financial year.

Focus Areas:

While the company may undertake CSR activities in any areas listed above, the focus areas of CSR activities should be on the following aspects:

- (i) Health Care Centers and/or Camps
- (ii) Environment protection
- (iii) Tree plantation
- (iv) Rural Transformation
- (v) Safe Drinking Water
- (vi) Education to underprivileged

CSR PROGRAMMES

CSR programmes will be undertaken at various locations i.e., Registered Office, Corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified Project/ Program. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

Identification of projects / programmes at various locations will be done by means of the following:

- (a) Need identification Studies by the CSR Department in consultation with the Top Management.
- (b) Internal need assessment by cross-functional team at the local level.
- (c) Receipt of proposals/requests from Charitable institutions and NGOs
- (d) Suggestions from the Board of Directors.

Annual Action Plan



The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following as per the provisions of the Act as amended from time to time:

- a) the list of CSR projects or programmes that are approved and to be undertaken by the company
- b) the manner of execution of such projects or programmes
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism of the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

CSR EXPENDITURE:

The company shall endeavor to achieve the objectives of CSR Policy and allocate every year:

- a. Minimum 2% of its average net profits made during the three immediately preceding financial years
- b. Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities

All the expenditure relating to CSR shall be approved by the CSR Committee.

The Chief Financial Officer of the company or Person in charge of Finance shall monitor the utilization of funds for the purposes set forth and certify to this effect.

Unspent CSR amount, if any, shall be transferred to separate account opened for the said purpose in accordance with the applicable CSR Rules from time to time.

MODE OF IMPLEMENTATION

The Board shall ensure that the CSR activities are undertaken by the Company itself 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, 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.

Every entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

The Company shall specify the project or programs to be undertaken through these entities, modalities of utilization of funds on such projects and programmes.

NEED AND IMPACT ASSESSMENT

CSR activities undertaken should be in the interest of the society and the local population where the company operates. Before undertaking any project or activities the company shall conduct need assessment for the project and its utility in the demography where project is proposed.

After one year of completion of CSR project, the company should consider to conduct an impact assessment of the project so completed as may be applicable as per the Act and the CSR rules, as amended from time to time and place a report for consideration of the Board.

Details of need and impact assessment, if applicable for the projects undertaken by the Company will be included in the Annual Action Plan, If the Company has an average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not



less than one year before undertaking the impact study.

Impact assessment, if applicable may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

A summary of impact assessment outcome shall be disclosed in the Board's Report. The impact assessment reports if applicable shall be placed before the Board and shall be annexed to the annual report on CSR.

CAPITAL ASSETS

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

- a. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
- b. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c. A public authority

Provided that any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with this requirement, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

Capital asset acquired or created by CSR projects should be held by the beneficiaries of the said CSR project or a trust or a public authority for the benefits of the all people. The company should take appropriate measure to ensure that such assets are utilized for the purpose it was meant for and should not be transferred or disposed off without the prior permission of the company.

INFORMATION DISSEMINATION

CSR Policy and activities undertaken shall be disseminated on website for public access and shall be published in the Annual Report of the company in the format prescribed under the Act and CSR Rules.



MEASURING CSR

In order to meet our CSR policy objective, we will strategize the measurement process of our CSR initiatives which will help us to make implementation strategies more effective. The measurement process will also help to set out future action plans. We shall adopt the following five tools for measuring CSR.

- 1) Benchmarking – our CSR projects are always unique and shall have special impact on the society.
- 2) Social audit – we will engage an external agency to conduct a social audit on a periodical basis, say 5 years.
- 3) Assessment – an annual assessment will be undertaken by an external agency to determine the progress.
- 4) Internal assessment – it will be an on-going and regular process. We shall be conducting this through a self-assessment tool of CSR.
- 5) Feedback – we undertake continuous feedback from the beneficiaries of our CSR projects.

COMPLIANCE, MONITORING AND REPORTING OF CSR:

Compliance with this policy will be continuously monitored and subject to review by the CSR Committee of the Company. Reporting will constitute an integral part of CSR initiatives as we remain firmly committed to report on CSR. The objective of reporting is not only to update the stakeholders but also to receive their feedback and accordingly capture their suggestions / inputs in to our future strategies. The CSR Department shall report on progress on the CSR programe undertaken by the Company to the CSR Committee with full details of cost incurred and results achieved on a regular basis.

The reporting commitment will help the company to achieve and enhance the business reputation and trust of all our stakeholders. We, therefore, continue to report about our CSR projects under global reporting initiatives (GRI) guidelines apart from reporting in the Annual Report of the Company.

RESPONSIBILITIES:

The Chairman of CSR Committee would lead the CSR initiatives of the company through CSR Committee which will be accountable to the Board. A senior employee will be responsible for coordinating overall CSR activities of the company towards achieving the



corporate goal of CSR and accountable to the CSR Committee through Chairman of the CSR Committee.

The Chairman of the Committee and CSR Committee shall be the process owners in respect of the CSR projects / activities listed above and will monitor the performance.

Chief Financial Officer or the person responsible for the financial management shall certify to the Board of Directors to the effect that the funds disbursed for CSR have been utilized for the purpose and in the manner as approved by the Board of Directors of the Company.

Other guiding principles of our CSR policy

Impact on Society:

- a) We will take steps to understand how we can most effectively support the needs of the local community and implement initiatives accordingly;
- b) Our impact on the local and wider community will be understood and nurtured;
- c) Dialogue with local communities shall be encouraged for mutual benefit.

Ethics and Ethical Trading:

- a) We ensure highest standards of ethics in all our business operations;
- b) We encourage our vendors to uphold the workplace standards and behavior consistent with the Company's requirements;
- c) We will ensure clear visibility through our supply chains so we know where all our products are made.

Biodiversity:

- a) We actively encourage the use of sustainable practices in the maintenance of the Company's premises, plants and other work places;
- b) We actively undertake every year plantation of a minimum 20,000 saplings;
- c) We support the activities of Society for Wildlife and Nature (SWaN) for creating awareness among the students and documentation of birds of Bellary and North Karnataka.

Environment:

- a) Our objective is to endeavour to reduce our impact on the environment through a commitment to continual improvement;
- b) We encourage our vendors to reduce their impact on the environment;



- c) We shall assess the production, use and disposal of water, energy and other materials we use;
- d) Our customers will be informed of the key issues involved in procurement so as to reduce their impact on the environment;

Human Rights:

- a) We aim to support and respect the protection of human rights;
- b) We encourage our vendors to observe human rights norms;
- c) We respect the rights and dignity of every community and treat them fairly and without discrimination;
- d) We affirm our respect to the different cultures and rights of individuals and indigenous people wherever we operate;
- e) We continuously support NGOs for eradication of human trafficking etc.

Equality and Diversity:

- a) We aim to eliminate discrimination on any grounds and promote equality of opportunity in all our activities chain;
- b) We will ensure that our customers and vendors are able to work together in confidence and be treated with respect by each party;
- c) Our range of contracts will take account of the needs of a diverse customer base;
- d) We actively undertake public infrastructure development projects for the benefit of community.

Sustainability:

- a) A Sustainable Procurement Policy will be maintained that will set out the principles, policies and procedures on which sustainable business activity within Company will be based.
- b) The policy will act as a prompt to staff to consider sustainability as a factor in all purchasing decisions;
- c) We seek to minimise the adverse environmental effects of people travelling to and from our offices.

STATUTORY AMENDMENTS:

In the event of changes/amendments by the Government to the provisions relating to CSR, the same as amended from time to time shall prevail over this policy and shall be construed as an integral part of this policy and no amendment of the policy is required to carry out the said changes for implementation of such activities by the company.



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AMENDMENTS TO THE POLICY

The Board of Directors, on its own and/or as per the recommendations of the CSR committee, can amend this policy, as and when deemed fit.

The provisions of this CSR policy are subject to the applicable provisions of the Companies Act, 2013 and any subsequent amendments thereof from time to time.

Note: - This policy has been approved by the Board of Directors of the Company at their meeting held on 31.03.2021