

# FRONTIER ALLOY STEELS LIMITED

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### INTRODUCTION

- “**Frontier Alloy Steels Limited**” is a manufacturing Company that deals specifically into manufacturing of Railway Parts and Components. The Company has been serving the Indian Railways since 1986. One of the critical elements to our success is delivering Quality Products to our Customers and we take pride in ourselves for having the ability to stand out as a leader in this area. The Company manufactures Railway couplers, Bogies, etc.
- Frontier Alloy Steels Limited was incorporated in the year 1986 and the Company has been serving the best possible quality control infrastructure since last 30 Years to the Indian Railways. It has been the topmost priority of all concerned, to preserve the highest quality standards with highly competitive price structure, to ensure on time deliveries and customer satisfaction.
- Frontier’s projects not only help the Indian Railway in many ways but it also aids the Indian Economy to grow faster. Our Company is committed not just to profits, but also towards leaving a deeper imprint in the society as a whole.

### CHAIRMAN’S MESSAGE

“Frontier Alloy Steels limited, believes that Oneness with the Society is an important ingredient for growth and development and our vision for the society paves out way for our CSR Initiatives.”

**Mr. Charan Das Bhatia**  
Chairman



***\*\*\* This revised policy has been adopted by the Board Of Directors of Frontier Alloy Steels Limited at its meeting held on May 30, 2018 and this policy is applicable on all Directors- Executive and Non Executive Directors and to Senior management also.\*\*\****

Corporate Social Responsibility is an integral part of everything that we do. Throughout the years we have focused on our values, reducing the impact on the environment and being engaged with our communities. Corporate Social responsibility is instilled in our Vision, our strategies and management goals.

Our Corporate CSR initiatives go far beyond compliance and promote positive impact on the Environment and Society both internal and external. Our vision is to continue to be an environmentally responsible organization making continuous improvements in the management of the environment.

These are all very much a part of the vision that forms the foundation of our Corporate Mission: a symbiotic relationship...which is in our DNA.

## **OUR CSR OBJECTIVE**

Corporate Social Responsibility is the continuous and constant practice of serving the community selflessly and giving back to the society by which we are sustaining. Growth of a Company not only depends upon the efforts made by directors, management and employees but also upon the environment where it carries out its commercial activities. It is the moral duty of the Company to contribute something for the development of the society.

### **The objective and purpose of this policy are:**

- To set guiding principles for carrying out CSR activities by the Company and also to set up process of execution/implementation and monitoring of the CSR activities to be undertaken by the Company.
- To enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

*“Frontier Alloy Steels Limited also works on abovementioned principles not only in letter but in spirit.”*

## **DEFINITIONS**

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modification or re-enactment thereof.

**“ACT”** means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

**“AVERAGE NET PROFIT”** means profit calculated as per Section 198 of the Companies Act, 2013.

**“BOARD”** means the Board of Directors of the Company.

**“BOARD’S REPORT”** shall mean report of the Board of Directors prepared in accordance with Section 134(3) of the Companies Act, 2013.

**“COMPANY”** means FRONTIER ALLOY STEELS LIMITED.

**“CSR”** means Corporate Social Responsibility.

**“CSR ACTIVITIES”** means the activities or projects or programmes as recommend by the CSR committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the schedule VII of the Companies Act, 2013.

**“CSR COMMITTEE”** means the Committee of the Board constituted under Section 135 of the Act for the purpose of administration of CSR activities, supervising the adherence of this CSR policy and the matter incidental thereto.

**“CSR POLICY”** means the corporate social Responsibility as set out herein and as amended or modified from time to time.

**“CSR RULES”** means Companies (Corporate Social Responsibility) Rules, 2014.

**“INDEPENDENT DIRECTOR”** means a non- executive Director of the Company within the meaning of Section 2(47) of the Companies Act, 2013.

**“NET PROFIT”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely:

- any profit arising from any overseas branch or branches of the Company, whether operated as a Separate Company or otherwise; and
- any dividend received from other Companies in India, which are covered under and complying with the provisions of Section 13 of the Act.

## **CSR MANAGEMENT COMMITTEE**

Every Company having Net Worth of Rupees Five Hundred Crore or More, or Turnover of Rupees One Thousand Crore or More or a Net Profit of Rupees Five Crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board.

- The CSR committee shall consist of three or more directors, out of which at least one Director shall be an Independent director.
- The Board of Directors reconstituted the Committee on May 30, 2018 comprising of following members:

<b>S.NO</b>	<b>NAME</b>	<b>DESIGNATION</b>	<b>CATEGORY</b>
1	Mr. Manu Bhatia	Whole Time Director	Chairperson
2	Mr. Chetan Bhatia	Managing Director	Member
3	Mr. YashPal	Independent Director	Member
4	Mr. Ramesh Narayan Trivedi	Independent Director	Member
5	Mr. Prem Mohan Gupta	Independent Director	Member

- The Board of Directors shall have the power to reconstitute the Committee to make it in line with the provisions of the Companies Act 2013.

## **ROLE/RESPONSIBILITIES OF THE CSR MANAGEMENT COMMITTEE**

The Corporate Social Responsibility committee shall:

- Review the proposals for CSR projects/programs/activities received from various locations;
- Approve proposals for various CSR projects/programs/activities
- Identify the projects/activities to be undertaken by the Company for CSR
- Recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities
- Monitor the CSR Policy of the Company from time to time
- Ensure compliance of CSR Policy and the Rules
- Such other functions as may be delegated and/or assigned by the Board from time to time

## **CSR ACTIVITIES**

As part of the CSR program, the company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business. In order to achieve the above principles, and as per section 135 read with schedule VII of the Companies Act, 2013, Frontier Alloy Steels Limited shall undertake the Corporate Social Responsibility (CSR) Activities particularly in the following areas and expenditure towards one or more of the below mentioned activities, on continuous basis, shall be the “Frontier Alloy Steels Limited Corporate Social Responsibility Policy.”

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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 backward groups
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- 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;
- Measure for the benefit of armed force veterans, war widows and their dependents
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympics sports;

- Contribution to the prime minister's National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural Development projects
- Slum area development

### **CSR EXPENDITURE**

- As per the provisions of the Companies Act 2013, the Board shall ensure that the Company spends in every Financial Year, at least 2% of the average net profits of the Company made during the three immediately preceding financial Years.
- CSR committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.

**“Any surplus arising out of the CSR projects/programs/activities will not form part of the business profit of the Company and shall be reused for CSR purpose only.”**

### **MONITORING THE CSR POLICY**

Board of Directors of the Company should review the Implementation of CSR with the suggestion of the Committee from time to time basis. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

### **REPORTING**

The Board's Report of the Company shall include the following particulars:

- A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken.
- The Composition of the CSR Committee.
- Average Net profit of the Company for last three Financial Years.

### **DOCUMENTATION**

- Members of the CSR Committee will be provided Agenda along with the required briefing materials.
- CSR Committee meetings will be documented and minutes provided to its members.
- Minutes shall be entered in the Minutes Book within 30 days from the date of conclusion of the meeting.
- Minutes of the meeting shall be signed and dated by the Chairman of the Meeting or by the Chairman of the next meeting.

## AMENDMENT TO THE POLICY

- The CSR Committee shall review and may amend this policy from time to time subject to the approval of the Board of Directors of the Company.
- In case of any amendments or modification in any of the applicable laws, regulations, the Committee shall subject to the approval of Board of Directors amend its policy to make it consistent with the applicable statutory requirements.

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