

DIRECTORS' REPORT (Cont.)

Annexure - 7ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES
FOR THE FINANCIAL YEAR 2018-19**[Pursuant to Section 135 of the Companies Act, 2013 Read with Companies
(Corporate Social Responsibility Policy), Rules, 2014]****1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken:**

Corporate Social Responsibility ('CSR') Policy of Balasore Alloys Ltd. ('BAL') encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.

Corporate Social Responsibility ('CSR') has been embedded in the long-term business strategy of the Company. For BAL, business priorities co-exist with social commitments to drive holistic development of people and communities. The Company's CSR initiative helps in elevating the quality of life, especially to the disadvantaged sections of the society. It aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements.

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board, this Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at a link as mentioned below:

http://www.balasorealloys.com/upload/media/csr-policy/CSR_25_06_2018.pdf

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.

Focus Areas of Engagement:

Among various CSR initiatives of the Company, the major focused areas of CSR spending for the Financial Year 2018-19 had been the followings: -

- a. **Healthcare** – Company is always committed towards CSR at large and as such invested in multiple healthcare projects. Mega Blood Donation camp was organised in collaboration with local community at Remuna Degree College wherein approx. 300 units of blood was collected for benefit of local people. Further, distribution of free medicines, health awareness & promotion programmes (Malaria Eradication, programme for physically challenged person, free ambulance facility, distribution of blankets & mosquito nets, etc., are among various initiatives taken towards health care in the financial year 2018-19.
- b. **Drinking Water Supply** – The Company has initiated several Safe water projects and in process of endeavouring such commitment, the Company has constructed four new Overhead water tank which caters the requirement of nearby villages of both Kaliapani and Remuna area of Odisha. Apart from this, Company is also continuing to Operate & Maintenance of four safe drinking water supply projects benefiting 560 households of Kaliapani, Ghagiashi, Chinghudipal & Bamanagar villages by having regular access to safe water, thereby reducing the number of cases of water borne diseases. Several Water Purifiers were also installed in the peripheral areas of Plant and Mines providing safe drinking water for all localities.
- c. **Environment** – With a commitment to make clean and green environment, 9850 saplings were distributed to approx. 2500 families from Remuna Block promoting awareness towards environment on World Environment Day.
- d. **Infrastructure Development** – BAL has taken various infrastructural projects like construction of Panchayat road in Remuna Block, Community Halls at Birsanagar, Kateni & Sagpor village nearby Mines Area, Classroom at Nuapadhi Nodal High School in Remuna Block, Children Shelter room.

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- e. **Women Empowerment** – Company has taken initiative for empowering rural women by providing special training programmes on Tailoring resulting into self-employment generation for supporting their families. Further, Women's Self-Help Groups have also been formed to make them self-dependent.
- f. **Education Development** – With the view to enhance and support educational facilities, BAL has supplied desk & benches to school in Remuna Block. Further to minimize teacher to student ratio, BAL is providing remuneration to additional teachers. Providing College Bus transportation facilities for Sukinda college. Various skill development programmes were conducted. Sponsoring financial assistance for higher education & establishing Coaching centres for students.
- g. **Swachh Bharat Abhiyan** – Installation of six Bio-e toilets in three schools in Kaliapani, construction of toilets along with bathrooms for 90 identified households in Baragali village, Sukinda, cleaning of ponds, construction of pucca ghats etc are some of the projects undertaken by the Company to promote Swachh Bharat Mission. The Company also conducted 15 days Program on Awareness & Sanitation across three villages in the periphery of Mines.

2. The composition of the CSR Committee

We have a CSR Committee of the Board of Directors who overviews the CSR undertakings to ensure that the CSR objectives are met. Our CSR Committee comprises:-

- Dr. Asish K. Bhattacharyya, Non- Executive Independent Director - **Chairman**
- Prof. S. K. Majumdar, Non- Executive Independent Director
- Mr. K. P. Khandelwal, Non- Executive Independent Director
- Mr. Anil Sureka, Managing Director

3. Average Net Profit of the company for last 3 financial years & Prescribed CSR expenditure.

Section 135 of the Companies Act, 2013 and rules made there under prescribes that every company having a net worth of ` 500 Crores or more, or turnover of ` 1000 Crores or more or a net profit of ` 5 Crores during any financial year shall ensure that the Company spends, in every financial year at least 2% of the average net profit made during the three immediately preceding financial years, in pursuance of its CSR Policy. The provisions pertaining to corporate social responsibility ('CSR') as prescribed under the Companies Act, 2013 are applicable to the company. The financial details as sought by the Companies Act, 2013 are as follows: -

		(` In lakhs)
Particulars		Amounts
Average net profit of the Company for last three financial years		9218.00
Prescribed CSR Expenditure (2% of the average net profit)		184.36
Unspent Amount brought forward from FY- 2017-18		78.50
Total Budget for FY 2018-19		262.86
Details of CSR expenditure during the financial year		
Total amount to be spent for the financial year		262.86
Amount Spent		196.46
Unspent Amount		66.40

Note: - The unspent amount shall not be carried forward to next FY-2019-20 on account of loss incurred during the FY- 2018-19.

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4. Details of CSR activities/projects undertaken and manner in which the amount spent during the financial year is detailed below: -

Plant (Balgopalpur, Dist – Balasore and Sukinda, Odisha) and Other Locations**(Amount in `)**

Sl. No.	CSR Project/Activities Identified	Sector in which the Project is Covered.	Project/Programme 1. Local Area/ Others 2. Specify the State/ District (Name of the District where project/programme was undertaken)	Amount outlay (Budget) Project/ Programme wise	Amount spent on the project/ programme Sub-Heads: 1. Direct Expenditure on project/ programme 2. Overhead	Cumulative spend upto the reporting period.	Amount spent: Direct/ through Implementing Agency
1	Construction of Panchayat Road from Ispat Chhak to Thank You Gate	Rural Development (Infrastructure Development)	Balgopalpur under Nuapadhi G.P. of Remuna Block of Balasore	21,00,000	21,54,146	21,54,146	Direct Expenditure
2	Reconstruction of Children Shelter Room	Rural Development (Infrastructure Development)	Haripal (Near to Tarkeshwar, West Bengal)	19,09,420	19,09,420	19,09,420	Direct Expenditure
3	Payment of Month wise Energy Charges of the Street Lights	Rural Development (Infrastructure Development)	In front of Lord Jagannath Temple, Remuna Mandir Chhak, Tarini Mandir Chhak, Ispat Chhak, Balgopalpur Chhak under Remuna Block	3,90,000	3,92,437	3,92,437	Direct Expenditure
4	1. Pond Cleaning & Construction of Pucca Ghats. 2. Construction of Girls' Toilet and Temporary Urinal. 3. Renovation & Development of Pond	Swachha Bharat Mission	1. Balgopalpur under Nuapadhi G.P. of Remuna Block. 2. Sajnarh Girls School and Anandamarga School Fuladi, Remuna Girls High School under Remuna Block, 3. Fakir Mohan University, Balasore	3,14,618	2,88,795	2,88,795	Direct Expenditure
5	Observation of World Environment Day, Distribution of Saplings & Organising of Awareness Programme	Environment Protection & Development	Villages and Educational Institution of Remuna, Nilgiri and Balasore Sadar Block.	3,93,682	4,20,054	4,20,054	Direct Expenditure
6	Construction of Over Head Tank	Supply of Safe Drinking Water	Balgopalpur, Nuapadhi, Remuna	12,85,000	16,14,082	16,14,082	Direct Expenditure
7	Provision of Drinking Water facility at Panchlingeswar, Nilgiri	Supply of Safe Drinking Water	Panchlingeswar, Nilgiri, Balasore	3,30,120	3,25,000	3,25,000	Direct Expenditure


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8	Installation Tube Wells and of Water Purifier Machine	Supply of Safe Drinking Water	8 Nos. Tube Wells in the nearby villages under Remuna Block. Grievance Cell of the Collector, Balasore for the use of general public.	1,40,750	1,43,190	1,43,190	Direct Expenditure
9	Construction of Class Room	Education Development	Nuapadhi Nodal High School under Remuna Block.	3,00,000	3,11,712	3,11,712	Direct Expenditure
10	Installation of Desk & Bench in the schools,	Education Development	Gourpur School and Refugee Colony School under Remuna Block.	90,000	96,229	96,229	Direct Expenditure
11	Monthly Teachers Payment,	Education Development	Refugee Colony UP (ME) School, Balgopalpur & Sereipur and Nuapadhi (UP) ME School, Nuapadhi under Remuna Block.	72,000	70,021	70,021	Direct Expenditure
12	1. Deaf & dumb school children Drawing Competition on new year 2. Contribution towards distribution of prize on annual function 3. Awareness against child sexual harassment	Education Development	1. Laxmi Banati special school under Remuna Block. 2. Remuna refugee colony nodal u.p school under Remuna Block. 3. Sukinda Village	42,770	42,770	42,770	Direct Expenditure
13	Provision of Ambulance Facility	Health Promotion	(Netaji Club) Balgopalpur under Nuapadhi G.P of Remuna Block	8,10,712	8,06,955	8,06,955	Direct Expenditure
14	Mega Health Camp	Health Promotion	Remuna Degree College, Remuna and other area of Remuna Block	2,50,000	2,21,416	2,21,416	Direct Expenditure
15	Sukinda hospital roof treatment	Health Promotion	Sukinda Area	59,321	59,321	59,321	Direct Expenditure
16	Assist. to Red Cross Society	Tribal Development	Balgopalpur, under Remuna Block.	6,740	7,963	7,963	Expenditure through Agency/Direct Expenditure

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17	Distribution of Medicated Mosquito Nets	Tribal Development	Leprosy Colony, Bampada, Balgopalpur, Sereipur, Gourpur, Rasalpur, Nuapadhi, Gourpur village under Remuna Block.	77,700	77,700	77,700	Direct Expenditure
18	Distribution of blanket	Tribal Development	Kasimabad, Balasore, Remuna	95,500	1,08,600	1,08,600	Expenditure through Dist. Administration.
19	1. Financial assistance for Balasore Premier League and for new Kalinga sports fitness club towards jersey for marathon 2. Financial Assistance for Photo Lamination of rare antique pictures	Community Engagement	1. Remuna and Balasore Area. 2. Inchudi Village of Remuna Block.	80,000	78,965	78,965	Expenditure through Dist. Administration.
20	Participation in Safety Week, Assistance in Rath Jatra and Jalachatra, Donation of utensils to poor local people	Community Engagement	Near villages of Sukinda, Odisha.	52,019	52,019	52,019	Direct Expenditure
	Total			88,00,352	91,80,795	91,80,795	

Mines (Kaliapani, Dist- Jajpur, Odisha)

(Amount in `)

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1	Construction of Community Hall at Birsanagar, Kateni and Sagor	Rural Infrastructure Development	Birsanagar, Kateni and Sagor	20,00,000	13,27,772	13,27,772	Direct Expenditure
2	Contribution to College Bus, Sukinda	Educational Development	Sukinda	1,50,000	1,38,000	1,38,000	Expenditure through agency
3	Construction of Girls common room with toilet, Sukinda College	Educational Development	Sukinda College	8,50,000	2,01,800	2,01,800	Direct Expenditure


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4	Sponsoring financial assistance for five meritorious underprivileged students from the community to get College Education	Educational Development	Sukinda College	1,00,000	60,368	60,368	Expenditure through agency
5	Coaching centre for Student	Educational Development	Govt. High School, Anala	17,447	49,333	49,333	Direct Expenditure
6	Overhead Tank in Kabata Village	Supply of safe drinking water	Kabata Village, Kaliapani	10,00,000	8,33,327	8,33,327	Direct Expenditure
7	Over Head Tank in Rankia Village for local people	Supply of safe drinking water	Rankia village	3,00,000	1,77,000	1,77,000	Direct Expenditure
8	Over Head Tank in Koila Village for local people	Supply of safe drinking water	Koila Village	7,00,000	4,70,295	4,70,295	Direct Expenditure
9	Operation & Maintenance of existing projects	Supply of safe drinking water	Kaliapani	3,50,000	3,30,840	3,30,840	Direct Expenditure
10	Supply of water tanker from BAL to Kuhika Village during summer season	Supply of safe drinking water	Kuhika Village	2,84,437	2,84,437	2,84,437	Direct Expenditure
11	Installation of 6 SMART toilets in 3 schools in Kaliapani	Swachha Bharat Abhiyaan	Kaliapani	20,00,000	13,43,732	13,43,732	Direct Expenditure
12	Construction of toilets along with bathrooms for 90 identified Households	Swachha Bharat Abhiyaan	Baragali Village, Sukinda	70,00,000	38,87,982	38,87,982	Direct Expenditure
13	Additional Civil work for 2 nos of Community Toilet, Chirgunia and 6 nos of e-Toilet for nearby 3 schools	Swachha Bharat Abhiyaan	Chirgunia village & In 3 no schools	2,29,144	1,65,200	1,65,200	Direct Expenditure
14	Malaria Eradication Drive ; Spraying of mosquito medicine	Swachha Bharat Abhiyaan	In 3 identified village in Mines periphery	1,00,000	1,00,000	1,00,000	Direct Expenditure

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15	Block Plantation and Avenue plantation	Natural Resource Development	One Hectare of land has been allotted to BAL by Govt where 2400 saplings will be planted	7,00,000	4,36,718	4,36,718	Direct Expenditure
16	solar lights for local people (Repair Cost)	Renewable Energy	Chirgunia	2,05,500	1,23,640	1,23,640	Direct Expenditure
17	Tailoring Centre for Women Skill development	Women Empowerment	Chirgunia	7,49,120	1,44,393	1,44,393	Direct Expenditure
18	Display Boards for CSR	Community Development	Installation of Display Boards Panchayat wise to provide information on history of CSR by BAL	1,50,000	80,869	80,869	Direct Expenditure
19	Sanitation Drive	Community Development	Nearby three identified villages (Kaliapani Area)	1,00,000	50,004	50,004	Direct Expenditure
20	Financial Assistance to youth, Award, Fire control on forest	Small Project	Nearby Mines Periphery	5,00,000	2,59,547	2,59,547	Direct Expenditure
	Total			1,74,85,648	1,04,65,257	1,04,65,257	

CSR Committee confirms that the implementation and monitoring of CSR policy is in line with the CSR objectives of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 30th May 2019

Anil Sureka
Managing Director
DIN: 00058228

Asish K. Bhattacharyya
Chairman of CSR Committee
DIN: 00799039