

BALAJI PHOSPHATES LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

(Reviewed and Amended by the Corporate Social Responsibility Committee and Board of Directors on August 28th, 2023)

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1. Context

While Balaji Phosphates Limited ("the Company") continues to expand its business activities, it has not lost sight of its commitment to play its role as an enlightened corporate citizen.

The Corporate Social Responsibility (CSR) Policy of the Company has been framed and made applicable in accordance with section 135 of the Companies Act, 2013 ("Act") read with the Rules thereunder. The Policy shall apply to the CSR Committee and all CSR projects/programmes undertaken by the Company in accordance with Schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules") (including any statutory modification(s) and/or re-enactment(s) for the time being in force).

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) and recommended the same to the Board of Directors of the Company ('Board') for its approval. The Board vide its resolution dated July 11, 2023.

2. Objectives of the Policy

This Policy shall be read in line with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (Collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will inter-alia provide for the following:

- Establishing a guideline for compliance with the provision of regulations to dedicate a percentage of Company's profits for social projects.
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedure and reporting.
- Creating opportunities for employees to participate in socially responsible initiatives.

3. The Geographic Reach

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. The Company will thus give preference to conducting CSR activities in the state of Maharashtra, Madhya Pradesh; and Rajasthan though CSR activities may also be carried out in other state(s) in India wherein the Company may or may not have its operations. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

4. Guiding Principles for Constitution of CSR Committee

The CSR Committee will consist of three directors out of which one is independent director.

The Committee may meet at least once in a year to discuss and review CSR activities and Policy. A Quorum of two members is required to be present for the proceedings to take place. The Committee members may attend the meeting physically or via such audio-visual means as permitted under the Act. The Committee shall have the authority to call employee(s), senior official(s) from time to time as may be necessary. The Company Secretary should act as Secretary to the committee.

CSR Committee of the Board has been formed as required under the Act.

5. CSR Activities | Projects | Programmes

The Policy recognises that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company may undertake CSR activities through a registered trust or registered NGO or a registered society or a company established by the Company or subsidiary or associate company under section 8 of the Act or through such other trusts, NGOs, registered societies etc. which have an established track record of three years of undertaking such projects/programmes. The Company may collaborate with other

companies for undertaking the CSR projects/programmes subject to fulfilment of separate reporting requirements as prescribed in the Rules. The scope of CSR activities of the Company will inter-alia cover the below mentioned key areas -

I. Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;

ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and 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 centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

iv. 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;

v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of arts; 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;

vii. Training to promote rural sports, naturally recognized sports, Paralympic Sports and Olympic Sports;

viii. Contribution to Prime Minister's National Relief Fund or any other fund setup by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

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

X. Rural Development Projects;

xi. Providing with hospital and dispensary facilities with more focus on clean and good sanitation so as to combat human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;

xii. Disaster management, including relief, rehabilitation and reconstruction activities.

xiii. Any other activity as board deemed fit towards betterment of society including upliftment of individual and as amended and notified by Ministry from time to time.

CSR activities may be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

6. CSR Expenditure

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to 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 the Schedule VII of the Act. The amount to be spent on CSR activities shall be calculated in accordance with the provisions of the Act and Rules made thereunder. Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profit of the Company.

7. Execution, Monitoring and Reporting

The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company. It shall prepare and propose the CSR plan with the execution modalities and implementation schedules to the Board.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee/ external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishment of overall CSR objectives laid down under the Act.

The Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects, programmes or activities undertaken by the Company. All disclosures, display and reporting requirement related to

CSR shall be made in accordance with the provisions of the Act and Rules made thereunder.

The CSR Committee will review the philanthropic activities of the Company and will provide progress update to the Board of Directors once in a year/such intervals as deemed fit.

The Company will report, in the prescribed format, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under the Regulations.