

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY****1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

As part of its Corporate Social Responsibility (CSR), the Company plans to contribute towards developmental activities in the "buffer zone" around its mines, which comprises of 22 villages, and also the town of Sandur. An extensive social survey has been done in these villages around the Mines where such projects are likely to improve the quality of life of its inhabitants. It is proposed to utilise the facilities of Sandur Laminates Limited (SLL) and Sandur Micro Circuits Limited (SMCL), to provide Street Lighting, Home lighting, Community Centre Lighting, Students Hostel Lighting and Solar Power Pump Sets. These 'Green Energy Projects' are expected to benefit the inhabitants of the village by way of free and uninterrupted power supply to remote villages; much needed street lighting; power during day time to pump drinking and irrigation water and also, reduce the load on the public utility system and State Electricity Boards.

The Company has plans to contribute generally in construction of roads, adopt the Sandur Town and improve internal roads, drains and public toilets (with water) facilities.

The Company has, as part of its SMIOR Education Programme, based on the recommendation of the CSR Committee, sponsored scholarships to children under the Sandur Vidya Protsaha Scholarships programme implemented by Karnataka Seva Sangha, a social service organization set up by late M. Y. Ghorpade.

Various other initiatives taken by the Company towards development of society where the Company has its presence are enumerated below:

- The Company directly and indirectly supports three schools at the mines, four schools at Vyasankere (where it proposes to set up the new projects) and six schools and colleges in and around Sandur. The institutions have been catering to the educational needs of employees' children as well as the children of Sandur and surrounding villages.
- Under Akshaya Patra programme, Company provides free mid-day meals to children studying in some of the aforesaid schools and two government schools at Sandur.
- The Company's Community Health Centre namely "Arogya" at Sandur, meets the medical requirements of employees free of cost and at very affordable and actual cost to the general public of Sandur and other adjacent villages. In association with Vittala of Bengaluru, Arogya provides specialized eye care facility. Further, in association with Bhagwan Mahaveer Jain Hospital, camps were organized for cancer detection, diabetes, orthopedic and women & child care.
- The Company's welfare organisation called Sandur Kushala Kala Kendra was established for nurturing and development of traditional handicrafts, upliftment and gainful employment of rural artisans.
- The Company continues to provide a package of essential food grains, to suffice needs of a family of about five per month, at 1972 prices, to all its employees and workmen, including temporary workmen.
- The Company has already planted millions of trees and continues to do so.

2. Composition of the CSR Committee:

In terms of Section 135 of the Companies Act, 2013, the Board of Directors of the Company constituted the CSR Committee at its meeting held on 29 March 2014. Presently, the Committee consists of the following Directors:

- | | |
|-------------------------------------------------|------------|
| (i) S. Y. Ghorpade, Chairman | - Chairman |
| (ii) Nazim Sheikh, Managing Director | - Member |
| (iii) V. Balasubramanian, Independent Director | - Member |
| (iv) S. S. Rao, Independent Director | - Member |
| (v) T. R. Raghunandan, Non - Executive Director | - Member |

3. Average net profit of the Company for last three financial years:

The Company's average net profit for last three financial years 2014-15, 2015-16 and 2016-17 amounts to ₹3,417.60 lakh.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹68.35 lakh during the financial year 2017-18.

5. Details of CSR spent for the financial year:

(a) Total amount spent for the financial year: ₹76.85 lakh

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (Location)	Amount Outlay (Budget) Project or Program wise	Amount Spent on the project or program	Cumulative Expenditure Upto reporting period	Amount spent: Direct or through implementing agency
1	SMIORE CSR Education Programme	Promotion of Education	Sandur, Ballari Dist.	76.00	76.85	290.35	Karnataka Seva Sangha (Implementing Agency)

(₹ lakh)



6. **Reasons for not spending the prescribed amount:** Not Applicable

7. **Responsibility Statement of the CSR Committee:**

We affirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

for and on behalf of the Board and CSR Committee

Place : Bengaluru
Date : 30 May 2018

S. Y. GHORPADE
Chairman of the Board &
CSR Committee
DIN : 00080477

NAZIM SHEIKH
Managing Director
Member, CSR Committee
DIN : 00064275