



CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

SAMRAT FORGINGS LIMITED

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is strongly connected with the principles of Sustainability. CSR is the recognition on the part of management of an obligation to the society. It serves not only for maximum economic performance, but also for human and constructive social policies as well. The concept involves two phases. On the one hand, it means not doing things that create problems for the society. On the other, it may be expressed as the voluntary assumption of the obligation to help in solving the social problems.

Therefore, it is the core corporate responsibility of Samrat Forgings Limited (the Company) to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders. The Company is committed to best corporate governance practices.

1. Guiding Principles

The Company recognizes that its business activities have wide impact on the society in which it operates. Our aim is to deliver superior and sustainable value to all our customers, business partners, shareholders, employees and host communities. Our CSR initiatives focus on holistic development of local communities and create social, environmental and economic value to the society.

To pursue these objectives, we will continue to -

- Uphold and promote the principles on inclusive growth and equitable development.
- Extend support to community development plans based on needs and priorities of host communities.
- Extend active support in areas of preventive health and sanitation, education skills for employability, livelihoods and income generation, waste resource management and water conservation for host communities for enhancing Human Development Index.
- Collaborate with like-minded bodies like governments, voluntary organisations and academic institutes in pursuit of our goals.
- Use environment friendly and safe processes in production.
- Ensure environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of natural resources.

- Create positive awareness towards the need to adopt measures that lead towards reducing carbon footprints, dependence on fossil fuels and promote alternate energy approaches.
- Work towards mainstreaming the marginalized segments of the society by making meaningful difference in their lives.
- Interact regularly with stakeholders and review our CSR initiatives.

2. Constitution of CSR Committee

The Board has the power to constitute the CSR Committee consistent with the Company's policy and applicable statutory requirements.

3. Policy for CSR Activities

The donations / contributions and community development activities may be undertaken by the Company in the following fields –

- (a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (b) Promoting education, including special education and employment enhancing vocational skill specially among children, women, elderly, and the differently able and livelihood enhancement projects.
- (c) 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.
- (d) 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 including contribution to Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.
- (e) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotions and development of traditional arts and handicrafts;
- (f) Measures for 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
- (g) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.

- (h) Contribution to the 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 Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (i) Contribution of funds provided to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government and contributions to public funded Universities and institutions as prescribed by the Government which are engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (j) Rural development projects.
- (k) Slum Area Development
- (l) Disaster Management, including relief, rehabilitation and reconstruction activities.
- (m) Such other activities prescribed by Schedule VII of the Companies Act, 2013 ('Act') and amendments thereto from time to time.

Provided that CSR activities shall not include –

- Contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013.
- Activities undertaken in pursuance of normal course of business of the company.
- Programs or activities undertaken for the benefit of only of the employees of the Company and their families.
- CSR activities or programs undertaken out of India.
- Such other activities excluded by Act, rules made thereunder and other applicable statutory provisions

Projects under CSR-

The Board shall take up and execute projects as per the provisions of the Act and rules thereunder and any amendments or re-enactments thereto from time to time, directly 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 (43 of 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.
- e) As per the provisions of the Companies Act, 2013, rules thereunder or any other applicable statutory provision and any amendment or re-enactment thereto.

4. Funding

The allocation of funds for CSR projects & activities will be in compliance of the Companies Act, 2013, the rules made there under or any other applicable statutory provision and any amendment or re-enactment thereto.

5. Implementation

- a) The Board shall formulate and follow an Annual Action Plan in pursuance of this policy, in respect of the CSR projects or programmes approved to be undertaken by it, which shall include –
 - the manner of execution of such project,
 - modalities of utilization of funds and implementation schedules for such projects, and
 - monitoring and reporting mechanism for the projects, etc.
- b) The Board of Directors shall satisfy itself that the funds so disbursed have been utilised 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.
- c) 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.

6. Audit

All CSR activities and expenses made thereon will be subject to audit by the Company's Auditors.

7. General

- a) All administrative expenses on CSR activities would be borne from CSR funds and shall not exceed the limits prescribed by the Act and rules made thereunder..
- b) If it is observed that any CSR activity taken up for implementation is found not properly implemented, the Board may discontinue funding the project at any time during the course of implementation.
- c) The Board may amend or modify this policy.
- d) 'The provisions of Companies Act 2013, rules made thereunder and other applicable provisions as may be amended from time to time shall over ride the contents of this CSR policy.

8. Disclosure

The Board's Report shall give an annual report on CSR activities as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 giving details required thereunder.

This CSR policy and projects approved by the Board shall be displayed on the website of the Company.

This policy was approved and adopted by the Board of Directors in their meeting held on 29.03.2023