

**PENGG USHA MARTIN WIRES PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY(CSR) POLICY**

A) Company's Commitment to Corporate Social Responsibility

The Company is aware of its responsibilities towards the less privileged of society and is committed to working towards the betterment of livelihood of the less privileged living in the close proximity to the Company's plant.

B) Implementation and Expenditure

- 1) The Company is committed to spend, in every financial year, at least 2% (two percent) of its average net profits (calculated in accordance with the provisions of Section 198 of the Companies Act 2013 ("Act") and Companies (Corporate Social Responsibility) Rules, 2014 ("CSR Rules") made thereunder (as amended) during the 3 (three) immediately preceding financial years ("Mandatory Allocation") to undertake projects and activities that are in compliance with requirements of Act, the Rules and any notifications issued thereunder. Any surplus arising from such activities shall also be spent on activities specified under this Policy and the Annual Action Plan or as specified in the Act and CSR Rules as amended from time to time.
- 2) Any annual expenditure for CSR incurred under this Policy shall be for those projects and schemes which are envisaged in Schedule VII of Act as provided in **Annexure I** and shall retain no such amount for its own use or in its own accounts.
- 3) The Company may undertake its CSR activities approved by the CSR Committee, through a company established under Section 8 of the Act or a registered trust or a registered society, established by the company, either singly or alongwith any other company, or 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, any entity established under an Act of Parliament or a State legislature or any other permitted entity under the Act and CSR Rules as amended from time to time.
- 4) For the avoidance of doubt, the CSR activities of the Company shall not include: (i) direct or indirect contributions of any of the CSR funds to any political party; (ii) any CSR activities or CSR projects otherwise conducted in the ordinary course of business of the Company; (iii) any CSR activities or CSR Projects conducted solely for the benefit of employees or their families etc. and (iv) such other conditions as may be specified and notified by Ministry of Corporate Affairs (MCA) in accordance with the provisions of the Act and CSR Rules from time to time.

C) Operations & Administration

- 1) The Corporate Social Responsibility Committee ("Committee") constituted under Section 135(1) of the Act will supervise and monitor all expenses incurred for CSR activities.

- 2) The Committee shall, not later than 180 (one hundred eighty) days from the commencement of each financial year, formulate and recommend to the Board of Directors (“Board”) annual budget for CSR activities / projects as part of the Annual Action Plan.
- 3) The Committee shall also formulate an Annual Action Plan to allocate resources for CSR activities. Thereafter the Committee will monitor the implementation of the plan to be completed within 31<sup>st</sup> March of every year. The Annual Action Plan will specify the annual budget allocation and identify specific projects and activities to be undertaken by the Company along with details of proposed expenditure allocation in respect of each such project and activity identified in the Annual Action Plan in accordance with the Act and CSR Rules as amended from time to time.
- 4) The Committee will exercise optimal supervision to ensure that undertaken project/(s) meet specified timelines and outcome.

D) Monitoring

- 1) The Committee shall ensure compliance by the Company with the aforesaid mandatory allocation requirement and all other conditions specified by Act, CSR Rules, Schedule VII and any circular / notifications issued thereunder.
- 2) CSR activities undertaken by the Company shall be monitored on an on-going basis by the Committee to ensure due implementation of projects and activities proposed to be undertaken by the Company in accordance with pre-determined targets. The expenditure incurred by the Company in connection with the implementation of each project and activity specified under the Annual Action Plan shall also be monitored by the Committee on an on-going basis. The CSR expenditure incurred by the Company shall be applicable and governed by the provisions of the Act and Rules framed thereunder. The Committee may seek such reports from the Company as it may deem appropriate in this regard. The surplus arising out of CSR activities shall not form part of the business profits of the Company. Surplus / unspent or excess amount arising out of CSR activities shall be treated in the mode and manner specified in the Act and CSR Rules as amended from time to time.

E) Reporting

- 1) At every first Board Meeting of the financial year, the Committee shall provide an Annual Report in the form as set out in the Act and CSR Rules made thereunder to the Board for the CSR activities undertaken by the Company or through any implementing Agency during the previous Financial Year for inclusion in the Report of the Board of Directors.
- 2) In the event the annual Mandatory Allocation is not spent by the Company in any financial year, the same shall be treated in the mode and manner specified in the Act and CSR Rules as amended from time to time.

F) Amendment

- 1) The Committee will re-evaluate social responsibility objectives of the Company, from time to time, in light of changes in the Company’s objectives, industry best practices and evolving

priorities and needs of the local communities in locations where the Company operates and sources materials and recommend to the Board modifications to the CSR Policy and the Annual Action Plan, considering its suitability, adequacy and effectiveness. Any recommendations for improvements or modifications of the CSR Policy will be presented to the Board for its consideration.

- 2) Any amendment or waiver of any provision of this Policy must be approved in writing by the Board.

*This policy has been revised by the Corporate Social Responsibility (CSR) Committee at its meeting held on 30<sup>th</sup> April, 2021 and adopted by the Board at its meeting held on the same day.*

## **Annexure I**

The following activities as prescribed in Schedule VII of the Companies Act, 2013 may be included in the CSR Activities undertaken by the Company. Any amendment to Schedule VII shall be part and parcel of Annexure-A:

- i) Eradicating hunger, poverty and malnutrition, promoting health care including 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;
- ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the 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, agro-forestry, 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;
- v) 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;
- vi) Measures for the 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;
- vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- viii) 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 Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;

- ix) a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

x) Rural development projects.

xi) Slum area development.

Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

xii) disaster management, including relief, rehabilitation and reconstruction activities.