



**MUNISH FORGE LIMITED
CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY**

CONTEXT



Section 135 of the Companies Act, 2013 ('the Act'), read with Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules') requires every company having:

1. net worth of Rs. 500 crore or more; or
2. turnover of Rs. 1,000 crore or more; or
3. net profit of Rs. 5 crore or more

in immediately preceding Financial Year ('FY') to constitute a Corporate Social Responsibility Committee ('CSR Committee'). Further, the CSR Committee so constituted shall formulate a Corporate Social Responsibility Policy ('CSR Policy') and recommend the same to the Board of Directors of the Company ('Board') for its approval.

CSR PHILOSOPHY

MUNISH FORGE LIMITED ("Company") has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society. The company had a deep commitment towards social responsibilities in past too and had been contributing significantly for philanthropic purposes. The Company through its CSR initiatives will continue to enhance value and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large. As an organization, we believe that sustained economic growth cannot be achieved without social progress and the well-being of local communities. In line with the aforesaid CSR philosophy, we have designed our CSR policy keeping in consideration the critical societal needs.

SCOPE

In furtherance of its CSR objects, the Company proposed to meet its CSR obligation through a combination of one or more of the following:

- (i) CSR activities implemented by the Company on its own,
- (ii) CSR activities implemented by the Company through own trust/society or group company trust/society;
- (iii) CSR activities of the Company through an external trust/society, or in such other manner as permissible under the provisions Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules").

CSR COMMITTEE

The Board has set up a CSR Committee comprising of three directors namely:

Sr. No.	Name	Designation/Category	Designation-CSR Committee
1.	Mr. Davinder Bhasin	Managing Director	Chairman
2.	Mr. Khushvinder Bir Singh	Independent Director	Member
3.	Mrs. Priya Begana	Independent Director	Member



CSR ACTIVITIES

The following activities and those activities incidental and ancillary or in furtherance of the following activities shall be the activities to be undertaken by the Company under this policy.

- a) Providing healthcare facilities at a reasonable cost to the weaker sections of the society;
- b) Promotion of education;
- c) Promoting gender equality and empowering women;
- d) Reducing child mortality and improving maternal health;
- e) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- f) ensuring environmental sustainability;
- g) employment enhancing vocational skills;
- h) social business projects;
- i) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio- economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- j) Any other activities as listed in Schedule VII of the Companies Act, 2013.

RESPONSIBILITIES OF THE CSR COMMITTEE

- 1) To formulate and recommend to the Board, a CSR Policy for approval specifying activities to be undertaken as mentioned in Schedule VII of the Act.
- 2) To recommend the amount of expenditure to be incurred on CSR activities.
- 3) To recommend to the Board an annual action plan in pursuance of its CSR policy consisting of CSR projects or programs that are approved to be undertaken, manner of execution of and monitoring and reporting mechanism of such projects or programs, modalities of utilization of funds and implementation schedules, details of need and impact assessment, if any, for the projects undertaken by the company.
- 4) To monitor the implementation of CSR policy of the Company from time to time.
- 5) To constitute a transparent monitoring mechanism for ensuring implementation of CSR Projects.
- 6) To be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or required by the Board.

CSR EXPENDITURE BUDGET

1. The Company will endeavor to spend at least 2% of the average net profits (Profit Before Tax as defined under Section 198 of the Companies Act, 2013) made during the immediate three preceding financial years (CSR Budget).
2. Any unspent CSR budget will be kept in a CSR Fund (Corpus) created by the company. This Fund would also include any income arising there from and any surplus arising out of CSR activities. Unspent CSR amounts, if any, in respect of applicable ongoing projects approved by the Board of Directors shall be transferred to a separate bank account as defined in the Act and spent as per the provisions of the Act within specified



timelines. Any unspent amount not pertaining to an ongoing project shall be transferred to a fund of the Government as specified under the act within specified prescribed timelines.

3. Any surplus arising out of CSR projects shall not form part of business profits of the Company.

SURPLUS OF CSR PROJECTS:

The surplus if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of the Company.

MONITORING OF CSR ACTIVITIES

The board of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The board of the company shall ensure that;

1. Company undertakes the CSR activities as provided in the CSR policy
2. The projects/ programs are implemented as per the program approved by the Board
3. The budget allocated for each of the project is utilized for the projects as per the approved plans.
4. The objective of the project/program is achieved as per the plans the Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the board of the company. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.

AMENDMENT OF POLICY

The Board on its own and/ or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Regulations on the subject as may be issued from relevant statutory authorities, from time to time.

REPORTING

On approval of The CSR policy or any amendments thereof, the contents of the policy shall be included in the Boards' report. At the end of each financial year, the Board shall prepare a report of the CSR program in the prescribed form relating to the financial year and shall include in the Board's report. Reasons for underspending if any shall be given in such report and approved by the Board of Directors. Forms as required to be filed in respect of CSR shall be filed with Ministry of Corporate Affairs.
