



BHAGWATI

BHAGWATI AUTOCAST LIMITED

(CIN: L27100G1981PLC004718)

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Corporate Social Responsibility Policy

INTRODUCTION

Corporate Social Responsibility (CSR) is the way and mean through which corporates can repay the obligations made by the Society by contributing the resources in its various forms as required for the efficient operation of the Business. As a responsible corporate citizen, we try to contribute for social and economic development on regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. We are of opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder's lives. This CSR Policy shall operate as the Corporate Social Responsibility Policy of the Company for the purposes of Section 135 of the Companies Act, 2013 ("Act") and the rules made thereunder including the Companies (Corporate Social Responsibility Policy) Rules 2014 ("CSR Rules") as amended from time to time. The Board of Directors has reviewed and adopted this Policy in its meeting held on 30th May, 2023.

OBJECTIVES

The main objectives of the Company's CSR Policy are:

- To lay down guidelines to make CSR a key business process for sustainable development of the society.
- To directly/ indirectly undertake projects/ programs, this will enhance the quality of life and economic well-being of the communities in and around our sites and society at large.
- To generate recognition among all stakeholders.

COMPOSITION AND FUNCTIONS OF CSR COMMITTEE

- CSR Committee shall be formed as per the applicable laws and the committee shall be responsible for the implementation/ monitoring and review of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical reports to the board of directors. A board's report shall disclose composition of CSR committee.
- **Composition of CSR Committee:**
 - Ms. Reena P. Bhagwati, Managing Director (Chairperson)
 - Mr. Padmin H. Buch, Independent Director (Member)
 - Mr. Vimal R. Ambani, Independent Director (Member)
 - Mr. Shantanu C. Mehta, Independent Director (Member)

- **Functions of CSR Committee:**

- Formulate and recommend to the Board, a CSR policy shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the CSR activities to the Board of directors.
- Monitor the CSR policy of the Company from time to time.
- Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the company.
- Any other activities as prescribed in Companies Act, 2013 and other applicable laws from time to time.

CSR SPEND AND REPORTING

The committee shall endeavor to spend atleast 2% of average net profits of three immediately preceding financial years on CSR activities as per this policy. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a Company. This CSR policy, projects/ initiatives and composition of CSR committee shall disclose on the website of the Company and to include in the Board's report, an annual report on CSR in the manner prescribed in the rules from time to time. If the company does not spend 2% of net profits as required, then Board has to report the reasons for it in the Board's report.

Impact Assessment

If the Company having average CSR obligation of ten crores rupees or more in pursuance of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study and the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

CSR POLICY AND ITS IMPLEMENTATION

- 'CSR policy' relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.
- The Board of a company shall ensure to 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, registered under Section 12A and 80G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with 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; or
- any entity established under an Act of Parliament or State legislature; or
- 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.

The Board/ CSR committee have to ascertain while before spending any CSR amounts through any above referred entity that they have obtained unique CSR registration number from Central Government.

- Company shall give preference to the local area and areas around it where it operates, if possible, for spending the amount earmarked for CSR activities.
- The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of the CSR rules as amended from time to time. Also provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee and based on the reasonable justification to that effect.

ACTIVITIES WHICH MAY BE INCLUDED BY COMPANIES IN THEIR CSR POLICIES

The scope of the CSR activities of the Company will cover the following areas as per Schedule VII of the Act, but not limited to the same and may extend to other specific activities/ projects/ programs as permitted under the act/ rules from time to time.

- eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
- promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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 including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
- protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art, setting up public libraries; promotion and development of traditional arts and handicrafts;
- measures for the benefit of armed forces veterans, war widows and their dependents, Central armed forces (CAPF) and Central Para Military forces (CPMF) veterans, and their dependents including widows;
- training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- contribution to the Prime Minister's National Relief Fund or Prime minister's citizen assistance and relief in emergency situation 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 Caste, the Scheduled Tribes, other backward classes, minorities and women;

- 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;
- 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);
- rural development projects;
- slum area development;
- disaster management, including relief, rehabilitation and reconstruction activities

AMENDMENTS

This policy may be further amended from time to time by the Board of directors or CSR committee with the approval of the Board of directors, as it may deem fit and as and when required. Also any subsequent amendment/ modification in the Act or rules or any other laws in this regard shall automatically apply to this policy.