



**AMIC
FORGING LTD.**
(Formerly AMIC Forging Pvt. Ltd.)



CORPORATE SOCIAL RESPONSIBILITY POLICY

Powers of the Committee:

Following are the Powers of the CSR Committee:

- i. Formulate and amend, time to time, this CSR Policy and recommend the same to the Board of Directors of the Company for approval and adoption.
- ii. To recommend and undertake such CSR activities as approved by the Board of Directors of the Company.
- iii. To monitor the implementation of CSR activities in terms of the CSR Policy.
- iv. To seek the reports on the progress of CSR activities undertaken by the Company.
- v. The Committee will formulate the Annual action plan in relation to CSR Expenditure.
- vi. Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- vii. The Company will take an impact assessment report, if applicable for their CSR Project through an independent agency.
- viii. To Prepare /finalize CSR Committee Charter in respect of Company's Focus area, Project Selection process, and internal reviews for CSR Committee guidance and same to be placed before the Board for its approval.

Board's Rights and Responsibilities:

Following rights and responsibilities vests with the Board of the Company in connection with the CSR Policy and framework:

- i. To approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- ii. To ensure that Company makes mandatory disclosures in the Company's Annual Reports and website, relating to CSR Committee members, Policy and the activities undertaken.
- iii. To ensure annual reporting of CSR Policy and activities to the appropriate governmental authority as mandated by applicable law.
- iv. The Board shall approve the CSR policy and oversee that identified work is duly undertaken and in each financial year at least 2% of average net profit of preceding three financial years is spent effectively.
- v. To Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- vi. To Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board / CSR Committee and the Chief Financial Officer shall certify to that effect.
- vii. To Approve for transfer of unspent CSR Amount if any in accordance with the law.
- viii. In case of an ongoing project, the board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modification, if any required.

AMIC FORGING LIMITED

G. H. Chandra
Managing Director



Monitoring Mechanism:

The goals and objectives along with the annual budgets of CSR to be discussed and signed off at the beginning of every financial year with the CSR committee and the Board of Directors.

The CSR Committee shall formulate and recommend to the Board of Directors, an annual action plan in pursuance of its CSR policy which includes

- i. list of CSR projects to be undertaken
- ii. the manner of execution of such projects,
- iii. utilization of funds,
- iv. monitoring and reporting mechanism for the projects or programs; and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company

CSR Expenditure

- 1) The administrative overheads spend by the Company should be less than or equal to 5% of total CSR expenditure of the Company for the financial year.
- 2) The surplus out of CSR activities shall be ploughed back into the same projects or shall be transferred to the Unspent CSR Account within a period of six months of the expiry of the financial year.
- 3) Company spends an amount in excess of requirement, such excess amount may be set off against the CSR spending requirement up to immediate succeeding three financial years subject to the conditions that –
 - a. The excess amount shall not include the surplus arising out of CSR activities.
 - b. Board shall pass a resolution.
- 4) The CSR amount spent by a Company for creation or acquisition of a capital asset for-
 - o a Company established under Section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or
 - o beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - o a public authority;
 - o For existing capital assets the Company shall comply with the above provisions within 180 days or with the approval of further 90 days by the Board.

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G. H. Chandra
Managing Director