

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)

Schenck RoTec India Limited is a company Registered in India since 1986 vide CIN U74999UP1986PLC030401 with registered office at Plot No. A-5, Sector 81, Phase II Noida 201305 Uttar Pradesh- India. Company is into manufacturing of Balancing Machines and Wholly Owned Subsidiary of **Carl Schenck AG, Germany**.

PREAMBLE

“Corporate Social Responsibility” (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental and social objectives with the company’s operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrate its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.

In its endeavors to mutually achieve the said objective, the Act stipulates the provisions regarding mandatory adherence to the Corporate Social Responsibility practices by the prescribed companies.

DEFINITIONS

Act: The Act means Companies Act,2013.

Corporate Social Responsibility: It means Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act,2013.

CSR Committee: means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

CSR Policy: means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan

Net profit: It shall mean the net profit as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

OBJECTIVES OF THE POLICY

To directly or indirectly take up programmes those benefit the communities and result in enhancing the quality of life & economic well-being of the locality.

Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

To prepare list of activities, programs and projects to be undertaken during the implementation year through a proper annual action plan, specifying modalities of execution and implementation schedules for the same.

To provide for the guidelines to be followed for selection, implementation, monitoring, and assessment of the CSR projects and programs.

CSR ACTIVITIES

Activities which can be undertaken by companies in their Corporate Social Responsibility Policies are specified in Schedule VII of the Act as below: —

(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, 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.

(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 art and handicrafts.

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Paramilitary 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 govt. for socio economic development and relief and welfare of the schedule caste, 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 Défense 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.

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

IMPLEMENTATION APPROACH

The Board or CSR Committee of the company may undertake its CSR activities itself or through registered trust or registered society, or a company established under Section 8, of the Act (also referred to as the implementing agency/ies), provided that, if such trust, societies or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar projects and programs

The Company may use services of expert agencies, consultancy firms etc. wherever required for carrying out base line surveys, guidance on project design and implementation, impact assessment surveys etc.

ROLE OF THE BOARD OF DIRECTORS:

The Board shall perform the following duties so far as the CSR Policy of the company and the activities relating thereto are concerned. It shall:

- a) approve the “Corporate Social Responsibility Policy” or any amendments thereof for the company.
- b) disclose the contents of the company’s CSR Policy in the Board Report and shall display the same on the company’s website.
- c) ensure that the activities included in the CSR Policy of the company are undertaken by the Company.
- d) ensure that the company spends at least two per cent (2%) of the average net profits of the company made during the three immediately preceding financial years in every financial year.
- e) ensure that preference is given to the local area and areas around it where it operates, for spending the amount allocated for CSR activities.
- f) ensure that activities covered by the company in its CSR Policy as CSR projects are within the scope of Schedule VII of the Act and Rules framed thereunder.

COMPLIANCE, MONITORING AND REPORTING

Compliance with this policy will be continuously monitored by the Board or the CSR Committee at its meeting(s).

The contents of this policy shall be disclosed in the Board report and placed on the Company’s website. The Board shall ensure spending of allocated amount on CSR activities and report the status in its annual report, also specify the reasons of non-spending of the allocated amount, if any.

The members of the CSR committee, if applicable, shall be appointed or removed by the Board of Directors by way of Resolution. The minutes of CSR committee meetings shall be placed before the Board meeting.

ANNUAL ACTION PLAN

The Board or The CSR Committee shall prepare a CSR Annual Action Plan for the above which shall include:

1. Identified CSR Projects and manner of execution.
2. CSR expenditure
3. Implementation and monitoring mechanism

BUDGET

Mandatory annual spending on CSR Activities in any particular financial year shall be “2% of the average of the annual net profit of the preceding three financial years.”

AMENDMENT IN CSR POLICY:

Any or all provisions of the CSR Policy would be subject to revision/amendment amendments by the Board of Directors of the company in accordance with the Companies Act, 2013 and rules made thereunder.

Above amendments in CSR Policy become effective with approval of the Board of Directors on 17th March 2025.