



## **M M FORGINGS LIMITED**

CORPORATE OFFICE: SVK TOWERS, 8<sup>TH</sup> FLOOR,  
A25 INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600032, INDIA.

### **M M FORGINGS LIMITED**

## **CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)**

### **1. PREAMBLE**

“The CSR Committee, aims to ensure that corporate social responsibility with a positive impact on people and communities, whilst contributing to a sustainable future for everyone connected to it.

The CSR Policy’) has been developed in accordance with Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India.

### **2. CONSTITUTION OF CSR COMMITTEE**

The Board has the power to constitute/ reconstitute the CSR Committee from time to time with due compliance with the applicable statutory requirement to oversee the CSR obligations of the Company. The CSR Committee was reconstituted on 08 November 2021. It was further re-constituted on 12 August 2023 and 31 March 2024.

The re-constituted Committee constitution is as below:

Shri. Vidyashankar Krishnan, Chairman  
Shri. V. Vaidyanathan  
Shri. K. Venkatramanan  
Smt. Sumita Vidyashankar  
Shri. Shankar Athreya \*

\* Appointed effective 12 August 2023

Pursuant to completion of tenure, Shri. V. Vaidyanathan and Shri. A. Gopalakrishnan, Directors retired from the Board / Committee effective 31 March 2024.

### **3. ROLE OF THE COMMITTEE**

3.1 The role of the Committee inter alia will be the following:

3.2 To formulate and recommend to the Board, a Corporate Social Responsibility Committee indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.



**CERTIFIED TO IATF 16949:2016 and ISO 9001:2015 STANDARDS**



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- 3.3 To approve projects in line with the CSR Policy.
- 3.4 To frame the modalities of execution of such projects and its implementation schedules.
- 3.5 To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company. To recommend the CSR expenditure to the Board.
- 3.6 To monitor and review the CSR policy of the company and expenditure incurred by the Company.

#### 4. CSR BUDGET

- 4.1 The CSR Budget will be allocated as per the provisions of the Act i.e. at least two percent of the average net profit calculated as per Section 198 of the Act read with the Companies (Corporate Social Responsibility) Rules thereof ('average net profit') accrued during the three immediately preceding Financial Years.
- 4.2 The Board of the Company will endeavor to spend in each Financial Year, at least two per cent of the average Net profit on CSR Projects / Programs.
- 4.3 The CSR project may be selected by the CSR Committee from the activities specified under Schedule VII of the Companies Act, 2013 on its own discretion and accord priority to the projects selected by it.
- 4.4 The CSR Committee, after identifying and approving a CSR project, may fix a target spending and formulate the modalities of execution and implementation thereof.
- 4.5 The CSR Committee shall periodically monitor and evaluate the performance of the Projects and the achievement of targets.
- 4.6 In the event that the amount indicated above is not spent in its entirety in that Financial Year, the reasons thereof will be outlined as per Section 134(3) (o) of the Act and also adopt any one option from the below mentioned as provided in the Act:

#### 4.7 In case the project is not an 'on – going' project

Transfer such unspent amount to the below mentioned Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Prime minister's national relief fund,

Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund and

Clean Ganga Fund

#### 4.8 In case the project is or is to be considered as 'Ongoing project'

Pass a Board Resolution to approve the project as 'on-going' if it has not been already identified as an ongoing project;





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Open an 'Unspent CSR bank account' and transfer the amount which is unspent/unutilized on the approved CSR project within a period of 30 days from the end of the Financial Year;

Ensure completion of the project within 3 years from the date of such transfer to the 'unspent CSR bank account' of the Company.

- 4.9 In implementing its CSR Projects/Programs the Company should choose to partner with a registered trust, society or a Section 8 company that fulfill all requirements of Section 135 of Companies Act, 2013. The Company may collaborate or pool resources with other entities within the Group to undertake CSR Projects / Programs. The Company may also enter into partnerships with the government, business partners and communities to achieve a significant impact of the social projects.

### 5 TREATMENT OF SURPLUS

- 5.1 In the event that the Company makes any surplus or profit from pursuing its CSR Projects / Programs, these will not form part of the business profit and will be invested back into CSR Projects 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.

- 5.2 Any amount spent in excess of requirement provided under the Companies Act, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years subject to the conditions that –

- the excess amount available for set off shall not include the surplus arising out of the CSR activities,
- the Board of the Company shall pass a resolution to that effect

### 6 Focus Areas

The Company shall undertake CSR Projects / Programs that are aligned with areas listed in Schedule VII of the Act, within the geographical limits of India, for the benefit of marginalized, disadvantaged and underserved sections of the community and the environment.

- 6.1 The detailed list of CSR Projects should be within the scope of the following activities:





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- 6.1.1 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.
  - 6.1.2 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
  - 6.1.3 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, measures for reducing inequalities faced by socially and economically backward groups;
  - 6.1.4 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:
  - 6.1.5 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;
  - 6.1.6 Measures for the benefit of armed forces veterans, war widows and their dependents;
  - 6.1.7 Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
  - 6.1.8 Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
  - 6.1.9 Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
  - 6.1.10 Rural development projects;
  - 6.1.11 Slum area development (Amendment Notification dated 6th August 2014)
  - 6.1.12 Such other activities as may be specified under the Act or CSR Rules from time to time.
- 6.2 The Committee may include such other activities specified under Schedule VII of the Companies Act, 2013 and amendments thereto from time to time. The Company may implement its CSR activities through some other trusts / societies or otherwise as decided by the Committee from time to time in accordance with the provisions of the Act and rules framed thereunder.

## 7. REVIEW

The CSR Committee will review the policy from time to time based on the changing requirement and make such modifications as may be necessary and be placed before the Board for approval.

