

# **Annexure I**

## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

## 1. Preamble

Aluwind Architectural Limited (“the Company”) or (“Aluwind”) is incorporated in the year 2003 under the Companies Act, 1956. The Company is primarily engaged in manufacturing of Aluminium Windows and Glass Facade.

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. Corporate Social Responsibility is strongly connected with the principles of sustainability. Organization should make decisions based not only on financial or operational factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

## 2. Applicability of Corporate Social Responsibility (CSR) rules

The CSR rules are applicable to Indian Companies or subsidiaries of Indian Companies and Foreign Companies operating in India and having net worth of INR 500 Cr or more/turnover of INR 1000 Cr or more/net profit of INR 5 Cr or more during the immediately preceding financial year.

## 3. Objective and Purpose

The key purposes of this Policy are to:

- Outline the development areas in which the Company shall get involved in;
- Define governance structure for CSR management within the Company;
- Serve as a guiding document aiding in identification, execution and monitoring the CSR projects;
- Describe the treatment of surpluses from CSR activities;
- Provide guiding principles for selection, implementation, and monitoring of activities;
- Formulate an Annual Action Plan every year as per applicable rules.

## 4. Alignment with Company Values

We believe to drive our CSR policy with the same values which directs Company. Hence, this CSR Policy absorbs Company’s core values and is aligned in the following manner to its CSR strategy:

- Being Accountable for what we do: Company considers itself accountable for contributing back in a meaningful way to the Nation/ Society.
- Embrace Diversity: Company believes in embracing diverse views and opinions which lead to a better solution. Accordingly, for execution of its CSR objectives Company plans to partner, where necessary, with NGOs/ other charitable organizations to meet the CSR objectives.
- Collaborate to Win: Collaborating with other NGOs/ charitable organizations, with footprint/ expertise in areas selected, is a key aspect of Company’s strategy to make a positive impact in its CSR activities.

## 5. Applicability

CSR Policy is applicable to Aluwind Architectural Limited from FY 2024-25 as it has reached a milestone of net profit of more than INR 5 Cr in the FY 2023-24 as per Section 135 of the Companies Act, 2013 (“the Act”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

## 6. Scope of CSR Policy

This Policy applies to all CSR projects that will be undertaken by Company and shall fulfil all the requirements of Section 135 of the Companies Act, 2013 and rules made thereunder. Company shall ensure all these activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013. This Policy will be periodically reviewed and updated in line with the relevant codes of legislation and best practices that can be adopted by Company.

## 7. Areas to Emphasize

Pursuant to Schedule VII of the Companies Act, 2013, the Company has approved the following activities as “CSR Activities” to be undertaken under the CSR policy of the Company. The Board of Directors has reviewed the said activities and express its consent to the CSR Team to pursue the said activities under CSR policy of the Company under section 135 of the Companies Act, 2014, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time to time. Approved CSR Activities:

- 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 vocation 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 buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- training to promote rural sports, nationally recognised 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 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;
- 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 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.]

## **8. Undertaking CSR activities**

Company will undertake CSR activities either in partnership with 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 or such other entities prescribed under the Act, who are engaged in activities or programs which fall within the purview of Company's CSR Policy and areas of focus, or directly through a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, that may be established by Company, either singly or along with any other company, for the purpose or both.

## **9. Governance Structure:**

A governance structure at Company is responsible for implementing and administering CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and rules made thereunder. The Board of Directors of the Company are ultimately responsible for the CSR Projects undertaken by Company.

The Company has constituted a CSR Team at the Board level.

### **a. CSR Committee**

Company does not need to constitute Corporate Social Responsibility Committee (the "CSR Committee") in line with Section 135 (9) of the Companies Act, 2013 (the "Act") as the amount to be spent for CSR activities does not exceed INR 50 lakhs.

### **b. CSR Team:**

Dedicated CSR team shall be constituted from among the employees at Company, for implementing the CSR Policy and shall work under the guidance of Board and will be mainly responsible for:

- Execution of the CSR Policy.
- Identify projects and key initiatives pursuant to CSR Policy.
- Facilitating allocation of funds to the projects as identified for CSR activities.
- Monitoring CSR Projects to establish effectiveness of CSR efforts.
- Compilation of information & preparation of Annual Reports on CSR activities and presenting the same to Board of Directors.
- Any other activity necessary to ensure achievement of CSR objectives.

## **10. CSR Budget**

The total budget for the different CSR projects in each financial year will be decided by the Board of Directors in accordance with applicable provisions of the Act and the CSR Rules. The Board of Directors will decide the amount of expenditure to be incurred on the different CSR projects based on the recommendation given by the CSR team. The Board of Directors shall propose to distribute the budget among the Areas to Emphasize or such of them as the Board may deem fit in each financial year, in such proportion and in a manner that meets the objectives of the CSR Policy.

## **11. Implementation Process**

### **a. CSR Contributions**

The Company will endeavour to contribute and spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years or such amount as may be recommended by the Company from time to time in pursuance of this Policy.

The CSR team shall calculate the total contribution for the CSR activities and recommend to the Board for its approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year

### **b. Compliance**

CSR Team will plan, implement, monitor and manage all CSR projects & activities for Company and will work closely with the Board of the company. The CSR Team will formulate implementation plans for the projects specifying the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Responsibilities and authorities for implementation.
- Results expected to be achieved post implementation.

### **c. Monitoring**

The CSR Team will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports etc. Mechanisms to track data and monitor projects will be established to ensure the transparency and efficiency of the implementation process. The projects will be evaluated against the milestones defined in the implementation plan of the project.

The Board of the Company shall satisfy itself that the CSR funds disbursed have been utilised for the purposes and in the manner as approved by it and the person responsible for financial management shall certify to the effect as per applicable rules in this regard.

### **d. Reporting**

The Board, based on reports presented by the CSR Team, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act 2013 and rules made thereunder. The CSR team shall also submit a responsibility statement to the Board that the implementation and monitoring of the CSR Policy is in compliance with the approved CSR Policy of the Company.

The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company

respectively.

## **12. Treatment of Surplus**

Any surplus arising out of the CSR activities shall not form part of the business profit of the 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 such period and with such terms and conditions as may be prescribed under Section 135 of the Act read with relevant rules applicable.

## **13. Annual Action Plan**

The CSR team shall formulate and recommend to the Board, an Annual Action Plan in pursuance of the CSR policy, which shall include the following:

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such projects or programmes;
- The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes;
- Details of need and impact assessment, if any, for the projects undertaken by the company;

The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR team, based on the reasonable justification to that effect.

## **14. CSR Expenditure**

If the Company spends an amount in excess of the requirements provided under the Act, then the Company may set off such excess amount against the requirement to spend under sub-section 5 of Section 135 for such number of succeeding financial years and in such manner, as may be prescribed under the Act and rules made thereunder.

This CSR Policy is subject to such changes and amendments as may be notified by the Ministry of Corporate Affairs under Section 135 of the Companies Act, 2013 and rules made thereunder and the same shall be read in line with the provisions of the Act applicable to the Company from time to time.

## **15. Penal Provisions (if any)**

If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.