



CORPORATE SOCIAL RESPONSIBILITY POLICY

WINDSOR MACHINES LIMITED

[CIN: L99999MH1963PLC012642]

REGISTERED OFFICE:

102/103, Devmilan Co. Op
Housing Soc., Next to Tip Top
Plaza, L.B.S. Road Thane West,
Maharashtra -400604.

1. PREAMBLE:

Windsor Machines Limited believes that good financial results are not an end in itself to assess the success of any business; rather it is a means to achieving higher socio-economic goals. In pursuance of this belief Corporate Social Responsibility Policy has been formulated and recommended by the CSR Committee to the Board of Directors of the Company and was duly adopted by the Board. This Policy lays down the primary vision of the Company with regard to its CSR activities. The Company may change this Policy from time to time in accordance with law and in accordance with the needs of the Company.

This Policy shall be applicable to all CSR projects/program/activities undertaken by the Windsor Machines Limited in India as per Section 135 and in accordance with the Companies (CSR Policy) Rules, 2014 (Rules), Companies (CSR Policy) Amendment Rules, 2021, notified by Ministry of Corporate Affairs, Government of India and Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India (DPE Guidelines, 2014) which are effective from 1st April 2014. It shall apply to all CSR Projects / Programmes undertaken by Windsor Machines Limited.

CSR policy means a statement containing the direction and approach given by the board, after taking into consideration the recommendations of its CSR committee, and includes implementation and monitoring of activities, guiding principles for selection and formulation of the annual action plan.

2. VISION:

“We are committed to serve the community by empowering it to achieve its aspirations and improving its overall quality of life.”

3. MISSION:

To undertake CSR activities in chosen areas through partnerships, particularly for the communities around us and weaker sections of the society by supporting need based initiatives.

4. OBJECTIVE:

- Improve the health and nutrition status of communities, particularly vulnerable groups such as women, children and elderly by improving health infrastructure and facilitating service provision.
- Focus on quality of education and encourage children from marginalized sections and girls to complete school education and opt for higher education.

- To focus on livelihoods and skill development in order to provide opportunities to women and youth and make them self-reliant.
- Initiate holistic development programs for differently abled children and orphans with a view to provide them opportunities to lead a meaningful life.
- To support the national efforts in rehabilitation and relief post unfortunate natural disasters.

5. DEFINITIONS:

Unless the context otherwise requires, the following terms/abbreviations used herein shall have the meaning respectively assigned to them as follows.

- 5.1 **“ACT”** shall mean the Companies Act, 2013, as amended from time to time
- 5.2 **“BOARD”** shall mean the Board of Directors of Windsor Machines Limited
- 5.3 **“COMMITTEE”** or **“CSR COMMITTEE”** shall mean a Committee of the Board set up in accordance with, and to carry out such functions as prescribed under the Act/Rules in connection with CSR.
- 5.4 **“COMPANY”** shall mean Windsor Machines Limited
- 5.5 **“CSR”** shall mean Corporate Social Responsibility as understood under the Companies Act, 2013, and Rules made thereunder as amended from time to time.
- 5.6 **“CSR POLICY”** or **“POLICY”** shall mean this Corporate Social Responsibility Policy.
- 5.7 **“RULES”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014.
- 5.8 **“NET PROFITS”** mean the net profit of a company according to its financial statement prepared under the applicable provisions of the Act, but it will not include the following:
- Any profit arising from overseas branch/branches of the company, whether operated as a separate company or otherwise.
 - Any dividend received from another company in India covered under and complying with Section 135 of the Act.
- 5.9 **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved

as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

Except as above, definitions and abbreviations as provided in the Act and the Rules shall apply to this Policy.

6. CSR COMMITTEE:

The CSR Committee will be formed among the Board of Directors of the Company. It shall consist of at least one Independent Director (or such other constitution as prescribed by law from time to time). The CSR Committee shall carry out such functions as prescribed under Section 135 of the Act and the Rules. Generally, the CSR committee shall be responsible for preparing the draft of the CSR policy and recommending the same to the Board. It shall also study prospective CSR activities/projects and give suggestions to the Board. Further, it shall also be responsible for implementation/monitoring and review of the CSR policy and various projects/activities undertaken as per the Policy. The CSR committee shall submit periodical reports to the Board.

7. CSR ACTIVITIES:

The Company shall pursue CSR activities in accordance with the provisions of Section 135/Schedule VII of the Act and the Rules. In particular, the Company shall pursue and implement activities and projects in education, sports, rural development and such other activities as laid down in Section 135/Schedule VII of the Act. The Company shall carry out such activities by itself and/or through bodies engaged in such activities and/or in such other way as permissible under law. Within this framework, the Board shall identify and implement such specific activities/projects, etc. that it deems fit.

THE FOLLOWING BROAD ACTIVITIES/PROJECTS HAVE BEEN IDENTIFIED FOR THE TIME BEING:

1. Activities/projects promoting education involving inculcating of traditional Indian cultural/Gandhian values.
2. Activities/projects of rural development for sustainable development activities related to health and sanitation, education, women empowerment, livelihood improvement, basic infrastructure etc., These activities/projects may be tailor made as per the needs of the villages/towns. The needs can be livelihood, drinking water, infrastructure, education, health and sanitation etc., though not limited only to these. The activities which create shared value can also be undertaken along the implementing partners as prescribed by the due procedure of law.

3. Activities/projects promoting education, including primary, secondary and higher secondary education, as well as special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
4. Activities/projects involving development of sports and sportsmen in various fields generally and more specifically to develop the sportsmen in various sports, with proper training facilities with proper coaching facilities, proper ground and development of overall infrastructure of international level.
5. Activities/projects promoting preventive and curative healthcare and sanitation to the public and medical facilities generally;
6. Activities/projects involving cultural development including development of literature, arts, etc. giving special focus to Indian literature, art, etc.
7. Activities/projects relating to conservation of natural resources including renewable energy sources;
8. Activities/projects relating to water conservation and maintaining quality of soil, air, and water; and
9. Other activities/projects in relation to matters that are listed in Schedule VII of the Act.

The Company may undertake such activities/projects directly by itself and/or through bodies/institutions that carry on such activities in a manner permissible under applicable law.

The Company shall give preference to the local area and areas where it operates for spending the amount earmarked for Corporate Social Responsibility's activities. However, depending on the activities/projects available, the Board may carry out activities/projects elsewhere depending on the availability of alternative projects/activities, nature of such activities/projects and their impact.

9. BUDGET FOR CSR ACTIVITY & CSR EXPENSES:

There is no maximum ceiling for CSR expenditure by the Company. However, as per clause 135 of the Companies Act, the Company shall spend a minimum of 2% of average net profit of the preceding 3 years for CSR activities. The net profit means, the profit of the Company as per financial statements prepared in accordance with the applicable provision Act but shall not include any profit arising from any overseas branch or branches, dividends received from any other Companies in India. The surplus, if any, arising out of CSR projects or programs or activities shall not form part of the business profits of the Company.

The Board may decide the allocation of such expenditure within the framework of this policy.

If the Company fails to spend such minimum amount in any financial year, the Board shall, in its report under Section 134 of the Act for that year, specify the reasons for not spending the amount. The Board may also consider carrying forward such deficit in such expenditure to the succeeding year(s) to spend such amount along with the minimum amount of the respective succeeding years.

10. CSR IMPLEMENTATION:

After prioritizing the activity the Board shall finalize the detailed implementation of the CSR through activities, Programmes, projects and/or such other manner as provided for in this Policy. The Board should ensure that the CSR activities are undertaken either by the company itself or through:

- Companies that are established under Section 8 of the Act, or a registered society or registered public trust under Section 12A and 80G respectively of the Income Tax Act, 1961, established by the companies themselves or along with any other company.
- Companies that are established under Section 8 of the Act or a registered society or registered trust established by the Central or State Government.
- Entity established under State legislature or an Act of Parliament.
- Companies that are established under Section 8 of the Act, or a registered public society or registered trust under section 12A and 80G respectively of the Income Tax Act, 1961, and having a track record of at least three years in undertaking similar activities.
- 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 above entities who intend to undertake CSR activity should register themselves with the Central Government by filing the Form CSR-1 with the Registrar, effective from 1 April 2021.

The CSR Committee should recommend and formulate to the Board, an annual action plan in pursuance of its CSR policy, including the following:

- List of the approved CSR programmes or projects to be undertaken in subjects or areas specified in Schedule VII of the Act.
- Manner of execution of the CSR programmes or projects specified in these Rules.
- Modalities of implementation schedules and utilisation of funds for the projects or programmes.
- Reporting and monitoring mechanism for the projects or programmes.
- Details of impact and any need assessment for the projects undertaken by the company.

CSR EXPENDITURE:

The Board must ensure that the administrative overheads will not exceed 5% of the company's total CSR expenditure for the respective financial year. The company should spend the unspent CSR amount in pursuance of the annual action plan, the CSR policy of the company or transferred to a Fund specified in Schedule VII within six months of the expiry of the financial year.

Where a company spends an amount above the requirement provided under Section 135(5) of the Act, the company can set off such excess amount up to the immediate succeeding three financial years. However, the excess amount available for set-off should not include the surplus arising out of the CSR activities in pursuance of these Rules, and the Board should pass a resolution to that effect.

- A company can spend the CSR amount for the acquisition or creation of a capital asset held by Companies that are established under section 8 of the Act, or a Registered Society Or Registered Public Trust having charitable objects and CSR Registration Number.
- Beneficiaries of the CSR project, in the form of collectives, self-help groups, entities.
- Public authority.

The excess CSR amount spent can be carried forward up to immediately succeeding three financial years; thus, in case any excess amount is left for set off, it will lapse at the end of the said period.

ADMINISTRATIVE OVERHEADS:

Administrative overheads mean the company expenses incurred for administration and general management of the CSR functions. However, it will not include the direct expenses incurred for implementing, designing, evaluating, and monitoring a particular CSR project or programme.

TRANSFER OF UNSPENT CSR AMOUNT:

The unspent CSR amount, if any, should be transferred by the company to any fund included in schedule VII of the Act until a fund is specified in Schedule VII in pursuance of Section 135(5) and Section 135(6) of the Act.

DISPLAY OF CSR ACTIVITIES ON WEBSITES:

the Board should mandatorily disclose the CSR Policy and Projects approved by the Board and composition of the CSR Committee on their website, if any, for public access.

11. MONITORING BY THE BOARD:

The Board of Directors shall monitor the implementation of the CSR activities. CSR activities, where carried out through other bodies/institutions, the Company shall pursue reports of progress of such activities/projects. The Board/CSR Committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the Committee with regard to implementation process.

12. COMPLIANCE AND REPORTING TO BOARD:

The Board report covered under the Rules relating to any financial year should include an annual report on CSR. If an average CSR obligation of Rs.10 crore or more should undertake impact assessment through an independent agency for the CSR projects with outlays of Rs.1 crore or more and completed within one year of undertaking the impact study.

The impact assessment reports should be placed before the Board and annexed to the annual report on CSR. A company undertaking impact assessment can book the expenditure towards CSR for that financial year, which should not exceed 5% of the total CSR expenditure for that respective financial year or Rs.50 lakhs, whichever is less.

13. AMENDMENTS TO THE POLICY:

The Board of Directors on the recommendation of the CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time. The CSR Policy and the amendments of the Company shall be uploaded on the Company's website for information of all stakeholders.
