

NATIONAL FITTINGS LIMITED
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Purpose:

This policy sets out the Company's commitment and approach towards Corporate Social Responsibility.

Formulation of CSR Policy is mandatory for a company to which section 135 of the Companies Act 2013 is applicable. As per this Section, every company having net worth of Rs. 500.00 crore or more, or turnover of Rs. 1000.00 crore or more or a net profit of Rs. 5.00 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board.

Objective:

The main objective of CSR policy is –

To lay down guidelines for compliance with the provisions of the regulations to dedicate a percentage of profits of the Company for social projects.

To directly/ indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around the work site and society at large.

Activities:

The scope of the CSR activities of the Company will cover the following areas but is not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time:-

EDUCATION

HEALTH CARE

INFRASTRUCTURAL DEVELOPMENT

ENVIRONMENTAL PROTECTION & CONSERVATION

Exclusion from CSR:

The following activity shall not form part of the CSR activities of the Company: -

- a) The activities undertaken in pursuance of normal course of business of the Company.
- b) CSR projects/ programs or activities that benefit only the employees of the Company and their families.
- c) Any contribution directly/ indirectly to political party or any funds directed towards political parties or political causes.
- d) Any CSR projects/ programs or activities undertaken outside India.

Budget & Funding:

The Company shall spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The Board of Directors shall prepare and submit a CSR Annual Plan.

Total expenditure in the CSR Annual Plan shall be approved by the Board.

The amount sanctioned by the Board will have to be utilised for the projects/ programs.

The unspent amount, if any, at the close of the financial year shall be retained and shall be spent only on specified projects/ programs in the next financial year.

Implementation of CSR Projects:

The Company may itself implement the identified CSR Projects presently within the scope and ambit of the areas as defined in the Policy.

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

The Company may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.

Disclosures:

The Company is required to disclose in its Board's Report an Annual Report on CSR containing the following: -

A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs;

Average net profit of the company for last three financial years;

Prescribed CSR Expenditure (2% of the amount of the net profit for the last 3 financial years);

Details of CSR spent during the financial year;

In case the company has failed to spend the 2% of the average net profit of the last three financial years, reasons thereof;

A responsibility statement of the Board of Directors that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company;