G.K. WINDING WIRES LIMITED
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. PREAMBLE

G.K. Winding Wires Limited (“the Company”) recognizes that its business success is interlinked with the well-being of society and the environment. In line with its commitment to responsible corporate citizenship, the Company seeks to integrate social, environmental, and ethical considerations into its operations. This Corporate Social Responsibility (CSR) Policy has been formulated pursuant to the provisions of **Section 135 of the Companies Act, 2013** and the **Companies (Corporate Social Responsibility Policy) Rules, 2014**, including all amendments made thereto (collectively referred to as the “CSR Laws”).

2. OBJECTIVE

The primary objectives of this CSR Policy are to:

- Outline the Company’s philosophy for undertaking socially responsible initiatives.
- Define the governance structure for CSR implementation and monitoring.
- Ensure alignment of CSR activities with Schedule VII of the Companies Act, 2013 (as amended from time to time).
- Ensure compliance with all statutory obligations relating to CSR.

3. APPLICABILITY

This Policy shall apply to all CSR initiatives and activities undertaken by the Company in India, either directly or through implementing agencies as permitted under the CSR Laws.

4. CSR GOVERNANCE STRUCTURE

(a) Constitution of CSR Committee

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company shall constitute a **Corporate Social Responsibility Committee** (“CSR Committee”) comprising at least three directors, including at least one Independent Director (where applicable).

(b) Roles and Responsibilities

The CSR Committee shall:

- Formulate and recommend the CSR Policy and any amendments thereto to the Board.
- Recommend the amount of expenditure to be incurred on CSR activities.

- Formulate and recommend annual CSR action plans to the Board as per Rule 5(2) of the CSR Rules.
- Monitor implementation of CSR projects and ensure compliance with CSR Laws.

The Board of Directors shall:

- Approve the CSR Policy and action plan recommended by the CSR Committee.
- Disclose the contents of the CSR Policy in the Board's Report and on the Company's website.
- Ensure that the Company spends, in every financial year, at least **2% of the average net profits** of the three immediately preceding financial years on CSR activities.
- Ensure proper utilization and reporting of CSR funds in accordance with applicable CSR Rules.

5. CSR ACTIVITIES

The Company shall undertake CSR projects and programs in accordance with the **areas and subjects specified in Schedule VII of the Companies Act, 2013**, as amended from time to time.

The CSR focus areas may, inter alia, include initiatives relating to education, healthcare, environmental sustainability, rural development, skill development, community welfare, and other subjects permitted under Schedule VII.

6. IMPLEMENTATION

- The Company may undertake CSR activities directly or through:
    - A company established under Section 8 of the Companies Act, 2013, or
    - A registered public trust or society registered under Section 12A and 80G of the Income Tax Act, 1961, having valid **CSR Registration Number (Form CSR-1)** filed with the Ministry of Corporate Affairs.
- CSR projects may be executed individually or jointly with other companies or agencies in compliance with the CSR Laws.
- The Company may also collaborate with governmental bodies, academic institutions, or international organizations, where legally permissible.

7. CSR EXPENDITURE

- The Company shall spend in each financial year at least **2% of the average net profits** of the preceding three financial years, calculated as per Section 198 of the Companies Act, 2013.

- **Administrative overheads** relating to general management and administration of CSR functions shall not exceed **5%** of total CSR expenditure for the financial year.
- **Surplus arising** out of CSR activities shall not form part of the business profits of the Company and shall be used for CSR purposes only.
- Any **unspent CSR amount** shall be dealt with in accordance with **Section 135(5) and (6)** and related CSR Rules — either transferred to a Schedule VII Fund or to an "Unspent CSR Account" within the prescribed timelines.
- Expenditure on CSR impact assessment (where applicable) shall be treated as CSR expenditure within limits prescribed under the Rules.

8. ONGOING PROJECTS

- The Board may approve multi-year CSR projects ("ongoing projects") in line with the CSR Rules.
- Funds allocated for ongoing projects shall be transferred to the "Unspent CSR Account" within 30 days from the end of the financial year and utilized within three financial years.
- Any unutilized balance after the said period shall be transferred to a Schedule VII Fund as prescribed.

9. MONITORING AND EVALUATION

- The CSR Committee shall periodically review the implementation and progress of CSR activities and submit reports to the Board.
- The Board shall satisfy itself that CSR funds have been utilized for the purposes approved and in the manner prescribed under the Act and Rules.
- Where required under CSR Rules, the Company shall undertake **impact assessments** through an independent agency for eligible CSR projects and place such assessment reports before the Board.

10. NON-CSR ACTIVITIES

The following activities shall **not** qualify as CSR expenditure:

- Activities undertaken in the normal course of business of the Company.
- Activities undertaken outside India (except training of Indian sports personnel representing India at international level).
- Contributions to political parties.
- Activities benefiting only employees of the Company.
- Sponsorship of events solely for marketing benefits.
- Statutory obligations under any other laws.

11. DISCLOSURE AND TRANSPARENCY

- The CSR Policy and details of approved projects shall be uploaded on the Company's website (www.gkwinding.com).
- The Board's Report shall disclose composition of the CSR Committee, average net profit, prescribed CSR expenditure, amount spent, and unspent amount along with reasons for shortfall, if any, in the format prescribed in **Annexure II of the CSR Rules**.
- Impact assessment reports, where applicable, shall also be placed before the Board and disclosed publicly.

12. AMENDMENT AND REVIEW

This CSR Policy shall be reviewed periodically by the CSR Committee and recommended to the Board for approval as and when required to comply with any modifications in the Companies Act, Schedule VII, or CSR Rules. The Board reserves the right to amend this Policy at any time based on regulatory requirements or business priorities.