



SAT INDUSTRIES LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY



BACKGROUND

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, SAT INDUSTRIES LIMITED ('the Company') is, *inter alia*, required to:

- i. Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- ii. Ensure that the Company spends, in every financial year, at least two per cent (2%) of the average Net Profits of the Company, made during the three immediately preceding financial years, calculated in accordance with the provisions of Section 198 of the Companies Act 2013 in the sector as mentioned in schedule VII of the Act.

PHILOSOPHY

Corporate Social Responsibility (CSR) is a public spirited cause that has been well introduced by the new Companies Act 2013. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

The main responsibilities of the Company towards society at large are to promote education, including special education and eradicate hunger, poverty and malnutrition; promote preventive health care and sanitation and making available safe drinking water, promoting gender equality and empowering women.

OUR VISION

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.
2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because, the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.
3. The Company aims to fulfill the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

APPLICABILITY OF THE POLICY

1. The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.
2. This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under-privileged.



OBJECTIVE OF THE CSR POLICY

- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To take up programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- To generate a community goodwill for Company and help reinforce a positive and socially responsible image of the Company as a good corporate citizen of the Country.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

COMPOSITION:

The Corporate Social Responsibility Committee ('CSR Committee') shall consist of three or more Directors amongst whom at least one shall be an Independent Director. The first Members of the CSR Committee are:

1. Mr. Asad Daud, Director as the Chairman;
2. Mr. Harikant Turgalia, Whole-time Director as a Member; &
3. Mr. Nikhil Raut, Independent Director as a Member.

The Company Secretary shall act as the Secretary to the Committee.

MEETINGS:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

QUORUM:

The quorum for a meeting of the Committee on CSR shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

SITTING FEE:

The Sitting Fees for attending every meeting of the Committee shall be determined from time to time by the Board of Directors.

ROLE OF CSR COMMITTEE:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 (as amended from time to time).
- b) To recommend the amount of expenditure to be incurred on the activities in a financial year.
- c) To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) Any other matter / thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company.



RESPONSIBILITIES OF THE BOARD

The Board shall:

- Form a CSR Committee and disclose the composition of the CSR Committee.
- Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- Place the CSR Policy on the Company's website.
- Ensure implementation of the activities under CSR.
- Ensure expenditure of requisite amount on CSR every year as per law.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.

CSR FOCUS AREAS

Company would focus the CSR activities around following thrust areas:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Vocational Training programmes to enhance the employability skills of the beneficiaries.
3. Promoting education, including special education and employment, especially among children, women, elderly and the differently abled and livelihood enhancement projects.
4. Promoting gender equality, empowering women, 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.
5. 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. 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 handcrafts.
7. Measures for the benefit of armed forces veterans, war widows and their dependents.
8. Training to promote rural sports, nationally recognized sports, Para-Olympic sports and Olympic sports.
9. Contribution to the Prime Minister's National Relief Fund.
10. Rural Development Projects.
11. Slum area development.

INFORMATION DISSEMINATION

1. Appropriate documentation of the Company's CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
2. CSR initiatives of the Company will also be reported in the Annual Report of the Company.



GENERAL

- In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference should be made to Corporate CSR Department. In all such matters,
- the interpretation & decision of the CSR Committee shall be final.
- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government, from time to time.
- The Company reserves the right to modify, cancel, add, or amend any of these Rules.