



Safety Controls & Devices Ltd.

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CORPORATE SOCIAL RESPONSIBILITY POLICY OF SAFETY CONTROLS & DEVICES LIMITED

1. PREAMBLE

Safety Controls & Devices Limited ("SCDL" or "the Company") recognises that its responsibilities extend beyond business operations and financial performance. The Company is committed to contributing towards inclusive, sustainable and socially responsible development and to creating a positive impact on society.

The Corporate Social Responsibility ("CSR") initiatives of the Company shall be undertaken in accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act"), Schedule VII thereto, the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("CSR Rules"), and other applicable laws.

This Policy sets out the broad framework for undertaking, implementing, monitoring and reporting the CSR activities of the Company.

2. SHORT TITLE AND EFFECTIVE DATE

This Policy shall be called the "Corporate Social Responsibility Policy of Safety Controls & Devices Limited".

This Policy shall come into effect from the date of its approval by the Board of Directors of the Company and shall remain in force unless modified or rescinded by the Board.

3. OBJECTIVES

- establish a framework for the Company's CSR initiatives and programmes;
- contribute towards social, economic and environmental development;
- support initiatives aimed at improving the quality of life of communities;
- promote education, healthcare, environmental sustainability, safety and other areas covered under Schedule VII of the Act;
- undertake CSR activities in a transparent, responsible and sustainable manner;
- ensure compliance with applicable provisions relating to CSR; and
- create measurable and long-term positive social impact, wherever feasible.

4. SCOPE AND APPLICABILITY

This Policy shall apply to all CSR activities and programmes undertaken by the Company.

The CSR activities of the Company shall be undertaken in accordance with the provisions of Section 135 of the Act, Schedule VII thereto, the CSR Rules and other applicable laws, as amended from time to time.

In the event of any inconsistency between this Policy and the provisions of applicable law, the provisions of applicable law shall prevail.



5. CSR ACTIVITIES

Subject to the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, and Schedule VII to the Companies Act, 2013, the Company may undertake CSR activities relating to the following:

(i) Eradicating Hunger, Poverty and Malnutrition

Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare 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.

(ii) Promoting Education and Livelihood Enhancement

Promoting education, including special education and employment-enhancing vocational skills, especially among children, women, the elderly and differently abled persons, and undertaking livelihood enhancement projects.

(iii) Promoting Gender Equality and Social Welfare

Promoting gender equality and empowering women, including setting up homes and hostels for women and orphans; setting up old age homes; establishing day care centres and other facilities for senior citizens; and undertaking measures for reducing inequalities faced by socially and economically backward groups.

(iv) Environmental Sustainability

Ensuring environmental sustainability and ecological balance, including protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, maintaining the quality of soil, air and water, and contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of the River Ganga.

(v) Protection of National Heritage, Art and Culture

Protection of national heritage, art and culture, including restoration of buildings and sites of historical importance; restoration and preservation of works of art; setting up public libraries; and promotion and development of traditional art and handicrafts.

(vi) Welfare of Armed Forces and Other Specified Veterans

Undertaking measures for the benefit of Armed Forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) veterans and their dependents, including widows, and Central Para Military Forces (CPMF) veterans and their dependents, including widows.

(vii) Promotion of Sports

Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

(viii) Contribution to Specified Funds

Contributing to the Prime Minister's National Relief Fund, the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund), or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women, as may be specified or permitted under applicable law.

(ix) Contribution towards Incubators, Research and Development





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Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine funded by the Central Government, any State Government, any Public Sector Undertaking, or any agency of the Central Government or a State Government; and contributions to eligible public-funded universities, Indian Institutes of Technology (IITs), National Laboratories and autonomous bodies engaged in research in science, technology, engineering and medicine aimed at promoting the Sustainable Development Goals (SDGs), as specified under Schedule VII.

(x) Rural Development Projects

Undertaking rural development projects.

(xi) Slum Area Development

Undertaking slum area development projects. For the purpose of this item, the term "slum area" shall have the meaning assigned to it under applicable law, including any area declared as a slum area by the Central Government, State Government or any other competent authority under any law for the time being in force.

(xii) Disaster Management

Undertaking disaster management activities, including relief, rehabilitation and reconstruction activities.

(xiii) Subscription to Zero Coupon Zero Principal Instruments

Subscription to zero coupon zero principal instruments on the Social Stock Exchange, subject to the provisions of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, applicable SEBI regulations and such other conditions, limits and requirements as may be prescribed from time to time.

6. INTERPRETATION OF CSR ACTIVITIES

The activities enumerated under this Policy shall be interpreted in a manner consistent with Schedule VII to the Companies Act, 2013 and applicable clarifications, circulars and notifications issued by the Ministry of Corporate Affairs from time to time.

The activities specified under Schedule VII are broad-based in nature and shall be interpreted liberally so as to capture the essence of the subjects enumerated therein, subject always to compliance with applicable law.

The Board of Directors of the Company may approve such specific CSR projects, programmes and activities falling within the scope of the aforesaid areas as may be recommended by the CSR Committee, wherever applicable, and as may be permissible under applicable law.

The Company may undertake one or more of the aforesaid activities depending upon the identified needs, availability of resources, expected social impact and priorities approved by the Board.

7. IDENTIFICATION AND SELECTION OF CSR PROJECTS

- the needs of the communities and beneficiaries;
- the relevance and expected social impact of the proposed activity;
- the focus areas identified by the Company;
- national and local development priorities;
- the availability of the Company's CSR resources; and
- the provisions of Schedule VII of the Act and applicable laws.

The Company may give preference to the local area and areas around which it operates for undertaking CSR activities, while ensuring compliance with applicable law.



8. CSR GOVERNANCE

8.1 CSR Committee

Where the constitution of a CSR Committee is required under the Act and applicable rules, the Company shall constitute a CSR Committee of the Board in accordance with the applicable provisions of law. The composition, powers and functions of the CSR Committee shall be in accordance with the Act and applicable rules. Where the applicable law permits the functions of the CSR Committee to be discharged by the Board of Directors, the Board shall perform such functions in accordance with the applicable provisions of law.

8.2 Functions of the CSR Committee

- formulate and recommend the CSR Policy to the Board;
- recommend CSR activities and projects to be undertaken by the Company;
- recommend the amount of expenditure to be incurred on CSR activities;
- formulate and recommend the Annual Action Plan, wherever required under applicable law;
- monitor the implementation of CSR projects and programmes; and
- perform such other functions as may be prescribed under applicable law or delegated by the Board.

9. RESPONSIBILITIES OF THE BOARD

- approve the CSR Policy and any amendments thereto;
- ensure that the activities included in the CSR Policy are undertaken by the Company;
- approve the CSR projects, programmes and expenditure, as applicable;
- ensure that the Company spends the prescribed CSR amount in accordance with applicable law;
- ensure appropriate monitoring and disclosure of CSR activities;
- ensure that the administrative overheads, if any, are within the limits prescribed under applicable law; and
- perform such other duties and responsibilities as may be prescribed under the Act and the CSR Rules.

10. CSR EXPENDITURE

The Company shall spend such amount towards CSR activities as may be required under Section 135 of the Act and the applicable CSR Rules. The amount required to be spent on CSR shall be calculated in accordance with the applicable provisions of the Act and the CSR Rules.

CSR expenditure shall include expenditure directly related to the implementation of approved CSR projects and programmes and such other expenditure as may be permissible under applicable law. Administrative overheads shall be incurred only to the extent permitted under applicable law.

11. ANNUAL ACTION PLAN

The CSR Committee, where applicable, shall formulate and recommend an Annual Action Plan to the Board in accordance with the CSR Rules.

The Annual Action Plan may include the list of approved CSR projects or programmes, manner of execution, modalities of utilisation of funds, implementation schedules, monitoring and reporting mechanism, and details of need and impact assessment, wherever applicable.

The Board may alter the Annual Action Plan during the financial year, in accordance with applicable law, based on reasonable justification and the recommendations of the CSR Committee, wherever applicable.

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12. IMPLEMENTATION OF CSR ACTIVITIES

The Company may undertake CSR activities directly by itself or through such implementing agencies or entities as may be permitted under the Act and the CSR Rules.

Before engaging an implementing agency, the Company shall undertake such due diligence as may be considered appropriate and shall ensure that the implementing agency fulfils the eligibility conditions prescribed under applicable law.

The Company may collaborate with other companies for undertaking CSR projects or programmes, provided that the Company is able to report separately on its CSR activities in accordance with applicable law.

13. ONGOING PROJECTS

The Company may undertake ongoing projects in accordance with the provisions of the Act and the CSR Rules. The identification, approval, implementation, monitoring, modification and completion of ongoing projects shall be undertaken in accordance with applicable law and the Annual Action Plan approved by the Board.

Any unspent amount relating to an ongoing project shall be dealt with in accordance with the provisions of the Act and the CSR Rules.

14. TREATMENT OF UNSPENT CSR AMOUNT

Any amount remaining unspent at the end of a financial year shall be dealt with in accordance with Section 135 of the Act and the CSR Rules, as applicable from time to time. The Company shall transfer such unspent amount, where required, to the appropriate account or fund within the timelines and in the manner prescribed under applicable law.

15. SURPLUS ARISING OUT OF CSR ACTIVITIES

Any surplus arising out of CSR activities shall not form part of the business profits of the Company. Such surplus shall be dealt with in accordance with the provisions of the Act and the CSR Rules.

16. ACTIVITIES NOT CONSIDERED AS CSR

- activities undertaken in pursuance of the normal course of business of the Company, except as otherwise permitted under applicable law;
- activities undertaken outside India, except as otherwise permitted under applicable law;
- contribution towards political parties or activities prohibited under applicable law;
- activities benefiting employees of the Company and their families beyond the limits or conditions prescribed under applicable law;
- activities undertaken for fulfilment of statutory obligations; and
- such other activities as may be excluded from the definition or scope of CSR under applicable law.

17. MONITORING AND REVIEW

The CSR Committee, where applicable, shall monitor the implementation and progress of the CSR projects and programmes.

The Company may establish appropriate systems and processes for periodic review of CSR projects, monitoring utilisation of funds, review of project outcomes, obtaining progress reports from implementing agencies, and

assessing the effectiveness and impact of CSR initiatives. The frequency and manner of monitoring shall depend upon the nature, size and duration of the CSR project.





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18. IMPACT ASSESSMENT

The Company shall undertake impact assessment of CSR projects, where applicable, in accordance with the Act and the CSR Rules. Such impact assessment shall be carried out through an independent agency, wherever required under applicable law. The expenditure on impact assessment shall be within the limits and subject to the conditions prescribed under applicable law.

19. DISCLOSURES AND REPORTING

The Company shall make such disclosures regarding its CSR Policy, CSR Committee, CSR activities and CSR expenditure as may be required under the Act, the CSR Rules, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws.

The Annual Report on CSR shall be included in the Board's Report in the manner prescribed under applicable law. The CSR Policy and such other information as may be required shall be made available on the website of the Company, where applicable.

20. AMENDMENT OR MODIFICATION

The Board of Directors may amend, modify, revise or replace this Policy from time to time based on the recommendations of the CSR Committee, wherever applicable, and subject to the provisions of applicable law.

Any subsequent amendment or modification in the Act, the CSR Rules, Schedule VII or any other applicable law shall automatically apply to this Policy to the extent relevant.

21. GENERAL

The provisions of this Policy shall be interpreted in a manner consistent with the Act, the CSR Rules and other applicable laws.

In case of any doubt regarding the interpretation or implementation of this Policy, the matter shall be referred to the Board of Directors, whose decision shall be final, subject to applicable law.

This Policy shall be reviewed periodically and as and when required due to changes in applicable law, the business environment or the CSR strategy of the Company.

For and on behalf of the Board of
SAFETY CONTROLS & DEVICES LIMITED

RAJNISH CHOPRA
Managing Director
(DIN: 07183037)

Effective From:
31.08.2026

