

7

**ACE FURNACES LTD.**

(Formerly known as ACE FURNACES PVT. LTD.)

www.acefurnaces.com | Email : info@acefurnaces.com

WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS

ACE FURNACES LIMITED
(FORMERLY KNOWN AS ACE FURNACES PRIVATE LIMITED)
CORPORATE SOCIAL RESPONSIBILITY POLICY

Adopted by	Date of Approval
Board of Directors	23 rd September 2026



K. S. F.

Regd. Office: Office No.130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Maharashtra 400604 Tel. + 91 22 49749248/49

Works : G-50, Chikloli MIDC, Ambernath West - 421501.

CIN : U29242MH2014PLC253538

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. PREAMBLE

The document describes the Corporate Social Responsibility Policy ("CSR Policy") of Ace Furnaces Limited ("the Company"). It includes Company's vision, mission, and other relevant attributes of Corporate Social Responsibility.

In term of the provision of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rule"), Company has formulated and adopted this Corporate Social Responsibility ("CSR") Policy.

The CSR Policy shall be guided by Company's corporate philosophy of respect for the individual and the society at large.

In Pursuance of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rule"), and good governance practices, Company had already formulated and adopted this Corporate Social Responsibility ("CSR") Policy as on August 24, 2025. However, the Board has adopted this new version of CSR Policy pursuant to the provisions applicable as that of public limited company.

Pursuant to Section 135 of the Companies Act, 2013, every company having, during the immediately preceding financial year, a net worth of ₹500 crore or more, or a turnover of ₹1,000 crore or more, or a net profit of ₹5 crore or more, shall constitute a Corporate Social Responsibility ("CSR") Committee and comply with the CSR provisions prescribed under the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company is required to formulate and adopt a CSR Policy, undertake CSR activities specified in Schedule VII of the Act, and ensure that at least 2% of the average net profits of the Company made during the three immediately preceding financial years (or such period as prescribed for a newly incorporated company) is spent on CSR activities in each financial year. The Board is also required to ensure implementation of the CSR Policy, disclose the prescribed particulars relating to CSR in the Board's Report and on the Company's website, and deal with any unspent CSR amount in accordance with the provisions of Section 135 and the applicable CSR Rules.

2. OBJECTIVES

The management of the Ace Furnaces Limited ("the Company") strongly believes that those who are privileged to have wealth should contribute significantly to try and create a better world for the millions who are far less privileged.

The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Various Organizations have realized that Government alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. the Company has adopted CSR as a strategic tool for sustainable growth. For the Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with social processes.

The main objective of CSR policy is to make CSR a key business process for sustainable development of society. This Policy is to set guiding principles for carrying out CSR



KJM

activities and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken.

3. SCOPE

This Policy shall apply to all CSR projects/programmes/activities undertaken by the Company in India as per Schedule VII of the Act.

4. DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

- (a) **“Act”** means the Companies Act, 2013, as amended from time to time;
- (b) **“Board”** means the Board of Directors of the Company;
- (c) **“CSR” or “Corporate Social Responsibility”** means the activities undertaken by the Company pursuant to Section 135 of the Act and the rules made thereunder;
- (d) **“CSR Committee”** means the Corporate Social Responsibility Committee constituted by the Board under Section 135 of the Act;
- (e) **“CSR Policy”** means the policy of the Company relating to the activities to be undertaken by the Company in accordance with Section 135 of the Act and the applicable rules;
- (f) **“CSR Expenditure”** means the expenditure incurred by the Company on CSR activities in accordance with the provisions of the Act and the rules made thereunder;
- (g) **“Net Profit”** shall have the meaning assigned to it under Section 135 of the Act, read with the applicable provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- (h) **“Ongoing Project”** means a multi-year project undertaken by the Company in fulfilment of its CSR obligation, having timelines extending beyond one financial year, subject to the limits and conditions prescribed under the Act and the rules made thereunder; and
- (i) **“Implementing Agency”** means any entity eligible to undertake CSR activities on behalf of the Company in accordance with the Act and the rules made thereunder.

Words and expressions used but not defined herein shall have the meanings respectively assigned to them under the Act, the rules made thereunder, and any statutory modification or re-enactment thereof.

5. CSR COMMITTEE

Composition

The Corporate Social Responsibility committee (CSR Committee) shall be constituted as follows:



Name of CSR Committee Members	Designation in CSR Committe	Category
Kailash Vishnu Nasta	Chairman	Executive Director
Rohit Shripad Karulkar	Member	Non-Executive Independent Director
Rhea Kailash Nasta	Member	Executive Director

The CSR Committee may invite Executives, Advisors, and representatives of Social Organizations, Auditors of Company, and such other persons as it may consider necessary to attend the meeting.



KNN

Scope and Responsibility:

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy.
- Be responsible for implementation and monitoring the CSR projects or programs or activities.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy.

Operational Procedure:

- The CSR Committee shall meet as and when necessary.
- Sitting fees shall be payable for attending CSR Committee as per Articles of Association of the Company.
- Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.

6. CSR Vision

To contribute positively to the society and bring about sustainable change by leveraging on the available resources and existing networks.

7. AUTHORITY

The Board of the Company as per the amendments made vide insertion of Clause 9 in Section 135 of the Companies Act, 2013 is authorized to carry out and implement the CSR Policy and therefore authorized to undertake its CSR activities, through a registered trust or a registered society or a Company established under section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;



KUN

8. CSR ACTIVITIES FOR IMPLEMENTATION

Company shall undertake any of the following Activities/Projects as specified in Schedule VII or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility (CSR):

- i. Eradicating hunger, poverty and malnutrition, [promoting health care including 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.
- ii. Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; 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.
- iv. 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.
- v. 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 art and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;



K 5/5

- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- (b) Contributions to public-funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- x. Rural development projects.
- xi. Slum area development.
Explanation: For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.

The provisions of the Companies Act, 2013 and CSR Rules made thereafter shall have overriding effect vis-a-vis the provisions of this policy.

Periodic review of this policy shall be done to ensure its continued suitability, adequacy, and efficacy

9. PROCEDURE FOR CSR ACTIVITIES

The Committee shall recommend the Board suitable CSR Activities to be undertaken during the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;

The Board shall give its approval based on the recommendation of the Committee and in compliance of this policy;

The Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, Expenditure incurred and such other details as may be required by the Board.



K S N .

10. EXCLUSION

The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.

Company shall not make any payment directly or indirectly to Political Party (ies) for CSR Activities.

The CSR projects or programs or activities that benefit only the employees of Company and their families shall not be considered as CSR activities in accordance with Section 135 of the Act.

11. CSR MONITORING AND REPORTING FRAMEWORK

Company may undertake CSR Activities either directly by itself or through a company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or along with any other company, or a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature:

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

The Company may collaborate with other companies to undertake the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the rules).

The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed/notified by Central or State Government, from time to time for this purpose.

CSR programs will be undertaken by Company to the best possible extent within the defined ambit of the identified Project/Program.

The time period/duration over which a particular program will be spread will depend on its nature, extent of coverage and the intended impact of the program.

12. FUNDING

In line with extent provisions of Section 135 of the Companies Act, 2013 and requirements laid down in the Companies (CSR Policy) Rules, 2014; 2 % of the



KVS

average net profit of the Company made during the three immediately preceding financial years will be allocated for CSR activities.

CSR budget for the relevant financial year shall be approved by the Board.

Company may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least 3 financial years but such expenditure, including expenditure on administrative overheads, shall not exceed 5% of total CSR expenditure of the company in one financial year.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the Business profit of a company and same shall be spent on undertaking any CSR activities only.

If the Company fails to spend, the amount stated herein above, then reason for not spending shall be stated in the Directors Report.

13. POWERS & DUTIES OF THE BOARD IN RELATION TO CSR

- a. Formulate and recommend, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;
- b. Formulate and recommend an Annual Action Plan in pursuance of its CSR Policy, which shall include the following, namely:
 - i. The list of CSR Registered organisations/entities, undertaking projects or programmes where Board decides to contribute towards the corpus;
 - ii. The list of CSR projects or programmes that are approved to be undertaken in selective areas or selective subjects specified in Schedule VII of the Act;
 - iii. The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
 - iv. The modalities of utilization of funds and implementation schedules for the projects or programmes;
 - v. Monitoring and reporting mechanisms for the projects or programmes; and
 - vi. Details of need and impact assessment, if any, for the projects undertaken by the company.



- c. Recommend the amount of expenditure to be incurred on the activities referred to in clause (b) and ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- d. Monitoring and ensuring implementation of the projects/programs. Activities proposed to be undertaken by the Company.

14. AMENDMENTS

This policy shall be updated or amended from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force via resolution passed by the Board.

15. CSR REPORTING

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

16. MISCELLEANOUS

- (a) Any or all provisions of CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from time to time under the provisions of section 135 of the Act.
- (b) In the event of any conflict between the provisions of CSR Policy and the applicable provisions of the Act, the provisions of the Act shall prevail.
- (c) The Company reserves the right to modify, cancel, add or amend any provisions of this policy.
- (d) This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.



Kun