

Forbes Marshall CSR Policy 2026-27

Introduction

Long before the notification of the Companies Act 2013 which made Section 135 for CSR mandatory for certain classes of companies, the Forbes Marshall Group was formally and strategically involved in social initiatives. Over the years, Forbes Marshall has believed in the philosophy of contributing and giving back to the community it operates in. Thus, when the factory was originally set up in Pune in 1958, the Company began working actively with key stakeholders in the community; understanding their needs and working as a catalyst to positively impact lives.

The principal objective of Forbes Marshall's social initiatives is 'Energising Communities in our Neighbourhoods Worldwide'; it aspires to benefit communities wherever it operates. Our core values of Sustainability, Diversity and Inclusivity drive the Company's CSR policy. The foundation of the policy is based on Forbes Marshall's overall purpose, values and aspirations.

- The philosophy
The Company believes that it is possible to bring about a positive change in the community when the gaps in education, health, livelihood, and amenities of the community's choice are addressed. Forbes Marshall's social initiatives address overall wellbeing, thus giving rise to goodwill of the neighbourhoods and related stakeholders.
- Core values driving the Company and CSR are: Integrity –Energizing self; Family Spirit –energizing members; Excellence – energizing customers/ stakeholders; Global Citizenship- energizing communities.

“Ongoing activities”

The Department of Social Initiatives established more than four decades ago works with the neighbourhood communities, most particularly in the areas of **Education** by providing support for quality education, vocational skills training, and providing facilities for education; **Empowerment** through developing leadership, development of strong Community Based Organisations, and a community functionary cadre to ensure the sustainability of programmes; and **Entrepreneurship** development through financial literacy, access to micro Activities are identified with the participation of the community. The focus areas of our Intervention are Education, Entrepreneurship, Health and Community Empowerment; the key stakeholders being women, youth, and children from disadvantaged sections of society.

The Company works for the development of financial literacy for women leading to access to micro credit. The programmes for youth and children are centered around quality education, leading to enhanced life-skills, helping access to vocational skills training, opportunities for gainful employment and entrepreneurship, and relevant health services.

FM's CSR activities are implemented through three inter-related entities:

- Department of Social Initiatives which is a department of the Forbes Marshall group.
- Forbes Healthcare Foundation, a Section 8 Company, incorporated under the Companies Act, 2013 on 21st July, 2015.
- Forbes Foundation ('the Foundation') which was set up in 2007-2008 to allow wider funding of social initiatives, Company's Foundation.

The Foundation awards grants to organisations that creatively address issues in its grant making priority areas namely:

- Education: Initiatives that enhance the quality of education in our country, particularly those that strengthen the pedagogy of teachers, educators and care providers in the foundational years; and those that develop life skills and vocational skills, in adolescents and youth.
- Community health: Supporting under funded health initiatives, particularly focused on vulnerable communities; leading to enhanced quality of life and better health outcomes for the target audience.
- Governance: Initiatives that help to improve governance; either by collaboration with local government bodies or by unlocking government schemes and programmes, for the most vulnerable of our population.
- Building Capacity and Resilience of the Social Sector: Initiatives that either help develop capacity of organisations or build leadership and management skills of personnel, working in the social sector.

Grants are provided to organisations, where the approach is aligned to those of the Foundation. These include initiatives which address underserved or little funded needs, those that have an innovative approach or strategy, initiatives which are potentially sustainable and replicable; and those which have an element of developing local leadership.

Additionally, the Foundation encourages collaborative initiatives, which lead to enhanced impact on underserved themes or populations.

Composition of the CSR Committee, various CSR projects and the CSR policy of the company can be found on our website www.forbesmarshall.com.

Disclaimer

The Company does not and shall not consider the following as CSR activity:

- Any activity carried out by the company in the normal course of its business;
- Any activity benefitting only the company's employees;
- Political contributions;
- Sponsorship activities for deriving marketing benefits for its products or services;
- Activities in fulfilment of statutory obligations;
- Activities undertaken outside India (except for training sports personnel representing State/National level).

Plan of Action

The Company has duly formulated the annual action plan for Fiscal Year 2026-27 which has been approved by the Board of Directors of the Company.

The CSR activities shall be implemented through the above mentioned three inter- related entities and / or through the CSR implementing agencies which are registered under Section 12A and Section 80G of the Income Tax Act and having a unique CSR Registration Number.

CSR Activities

During this fiscal year and beyond, the FM Group shall undertake the following CSR related activities primarily for communities in its local area of corporate operations:

Sr no	Area	Activities	Description	Implementing Agency	Nature of activity
1	Health care				
i		Shehernaz Medicare Centre	Hospital providing subsidised medical care	FHF and NGO.	Ongoing
ii		Health Outreach Programme	Creating awareness related to health issues & conducting health camps	NGO, CBO, Govt	Ongoing
iii		Child Guidance Centre	Assessment of IQ and counselling services for parents & children	NGO	Ongoing
iv		Rural Health Outreach	Integrated health for adolescent girls and young married women in Chakan	NGO, CBO, PHC	Ongoing
2	Education				
i		Girls Scholarship Programme	Supporting girls for high school education	NGO	Ongoing
3	Employment enhancing vocational skills	Skill training to Engineers	Short term course in skilling technicians in chosen geography in India.	NGO	Ongoing
4	Livelihood enhancement				
i		Umang	Income generation activities for women	NGO	Ongoing
ii		Goatery Development	Livelihood generation in Chakan villages	NGO, CBO	Ongoing
5	Measures for reducing inequalities				
i		Affirmative Action	Training program for enhancing employability	NGO	Ongoing
ii		Worker facilitation Centre	Ensuring Dignified standards of work and living for Migrant workers	NGO	Ongoing
6	Empowering women				
i		Self Help Groups and Federation	Micro finance activities for community women	NGO, CBO	Ongoing
ii		Women Entrepreneurial Network	Supporting women owned businesses	NGO, CBO	Ongoing
iii		Legal &	Training women to be	NGO, CBO	Ongoing

		Government Jankaar	paraprofessional workers for women related issues and government schemes		
7	Rural Development projects				
I		Training programmes	Vocational skill training in villages close to our Chakan plant	NGO	Ongoing
li		Women development	Enhancing awareness in health, social and legal issues	NGO	Ongoing

• Modalities of Execution of Activities

The Company supports activities that are identified with the participation of the communities in accordance with the community's needs. Care is taken that there is equality of gender.

For projects undertaken from 1st April 2023, the Company decided that it will engage only with CSR implementing agencies which are registered with the appropriate authority and have obtained a unique CSR Registration Number and under 12A and 80G of the Income Tax Act. The Company shall carry out CSR activities through the following entities:

- Directly as a company with the help of its employees;
- A Section 8 company, a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961 established by the company for undertaking CSR activities, either singly or along with any other company; or
- A Section 8 company, a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961 and that does not fall within any of the other categories, but such entity has to have an established track record of at least three years in undertaking similar programs or projects; or
- A Section 8 company, a registered trust or a registered society established by the Central or State Government; or
- Any entity established under an Act of Parliament or a State legislature.

The above identified CSR Activities will be implemented and executed by non-profit agencies which are more than three years old in co-ordination with in-house CSR Team. These agencies would work singly or jointly with other agencies. Such agencies would include:

- Voluntary Agencies;
- NGO's;
- Company's Forbes Foundation;
- Forbes Healthcare Foundation (a Section 8 Company);
- Self Help Groups;
- Community based organizations;
- Mahila Mandals, Samities, etc;
- Government Bodies, Semi-Government or Autonomous Organizations;
- Institute/ Academic Organizations;
- Individual Developmental Resource Person;

- Other Non-profit/Charitable Organization.

Implementing Schedule

Details of “ongoing activities” (of three years duration) already under the Company or the Foundation’s support are mentioned in the table of activities.

CSR Assets

The Company shall ensure any capital asset/s created with CSR funds is/are NOT owned by the Company instead these assets shall be owned by the Forbes Foundation or implementing agencies or community or public authority.

Unspent CSR funds (if any)

The Company shall ensure that any unspent amount for an “ongoing project” for the relevant Financial Year shall be transferred within thirty days of the end of the Fiscal year to a designated “Unspent Corporate Social Responsibility Account” opened by the company.

The funds in the “Unspent CSR Account” shall be spent within three years. If unspent, then the funds shall be transferred to any fund mentioned in Schedule VII of the Indian Companies Act (such as the Prime Minister’s National Relief Fund, PMCARES, etc.).

The Company shall also ensure that unspent CSR funds NOT related to an ongoing project (unallocated) at the end of the relevant fiscal year shall be transferred within six months of the end of a Financial Year to a fund mentioned in Schedule VII of the Act (such as the Prime Minister’s National Relief Fund, PMCARES, etc.).

Surplus (if any) arising out of CSR Activities

Any surplus arising out of CSR activities will not go back to the company’s profits. It shall either be:

- a) Ploughed back or spent on the same project/program that gave rise to the surplus; or
- b) Transferred to the company’s Unspent CSR Account; or
- c) Transferred to a fund mentioned in Schedule VII of the Act **Surplus CSR expenditure (if any)**

If the Company spends more than the mandated two per cent on CSR expenditure, the excess amount shall be submitted to the Board of directors of the Company and shall be set-off over the next three financial years upon the Board’s approval.

Monitoring

The CSR activities mentioned above are recommended by the CSR Committee and approved by the Board of Directors of the respective companies under the FM Group.

At the Board meeting of the Company, the CSR Committee will submit the report to the Board, stating the status of each of these activities, the total amount spent so far and the plan for the remaining period.

This report will be based on monitoring and evaluation embedded as part of our review and

reporting framework. We will also undertake external / third party impact assessment from time to time based on applicability.

The Chairperson of the CSR Committee shall be responsible for monitoring of CSR Policy from time to time. The CSR Committee shall ensure that the surplus arising out of CSR activities shall not form part of the business profit of the Company.

Reporting

The Company shall ensure detailed annual disclosure, including the composition of the CSR committee, number of meetings of the committee, amounts transferred to the unspent CSR account and capital assets created (if any).

The Board shall provide an Annual Report to the shareholders of the Company on the CSR Activities in the prescribed format.

The Company's Board of Directors shall ensure that the CSR funds are disbursed & utilized for the purpose and in the manner approved by it.

The Group Finance Controller / Head - Finance of the Company shall certify disbursement and utilization of CSR expenditure. To ensure compliance, the Company has ensured proper internal co-ordination between the CSR Head, Accounts and the Secretarial department.