

HY-TECH ENGINEERS LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

Title

This Policy is called ‘Corporate Social Responsibility Policy’ (CSR Policy).

EFFECTIVE DATE

The CSR Policy of the Company has been approved by the Board on **8th September, 2022**.

Definitions

- 1) “**Act**” shall mean the Companies Act, 2013 including any modifications, amendments or re- enactment thereof.
- 2) “**Rules**” shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.
- 3) “**CSR**” shall mean Corporate Social Responsibility
- 4) “**Financial Year**” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- 5) “**Net Profits**” shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.
- 6) “**Company**” means ‘Hy-Tech Engineers Limited’
- 7) “**Board**” means the Board of Directors of the Company.
- 8) “**Approved Budget**” shall mean the total budget as approved by the Board of the Company, which is to be spent or utilized for CSR activities.
- 9) “**Annual Plan**” shall mean the annual plan for CSR expenditure for the year.
- 10) “**CSR Committee**” shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Members.
- 11) “**CSR Policy**” shall mean the Corporate Social Responsibility Policy of the Company.
- 12) “**CSR Activities**” shall mean all the Corporate Social Responsibility activities /programs / initiatives of the Company, either ongoing or new specified in Schedule VII to the Act (as amended from time to time), as recommended by the CSR Committee and approved by the Board.
- 13) “**CSR Expenditure**” shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors.
- 14) “**CSR provisions**” means the regulatory provisions governing the CSR activities including the relevant section, rules and schedule under the Companies Act, 2013 or any other act or law as is applicable from time to time.

The Objectives

- Building capabilities for tomorrow through interventions in, inter alia, education, vocational training, water, sanitation and hygiene in schools
- Promote healthcare, including preventive healthcare and improve critical nutritional & health status of at-risk population through interventions to strengthen health, nutritional content, delivery, outreach and outcomes
- Focus on making a positive contribution to society through sustainable development programs

Scope and Applicability

The Company has developed its Corporate Social Responsibility (CSR) Policy in accordance with section 135 of the Companies Act 2013 (hereby referred to as “the Act”) and in accordance with the CSR rules (hereby referred to as “the Rules”) notified by the Ministry of Corporate Affairs, Government of India on 27th February 2014. The CSR Policy may be amended as required by the Board. The CSR Policy will be implemented by the CSR Committee. Further, the CSR Policy will be reviewed as and when required by the Board.

Focus Areas

- Education
- Healthcare
- Any other activity as may be approved by the CSR committee on a case-to-case basis

Constitution of the CSR committee

In terms of Section 135 of the Companies Act, 2013 (hereinafter referred to as ‘the Act’) read with the applicable rules thereon and any statutory amendments thereto, Board of Directors of the Company has constituted a CSR Committee and the following are its present Members:

Name of the Member	Designation	Nature of Directorship
Mrs. Surekha Mondkar	Chairperson	Wholetime Director
Mr. Ashwin Mondkar	Member	Director
Mr. Vivek Patwardhan	Member	Independent Director

Following are the powers of the CSR committee

- To formulate and recommend a CSR Policy to the Board. CSR Policy shall point out the activities to be undertaken by the Company as enumerated in Schedule VII;
- To recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
- To monitor the CSR Policy of the Company from time to time;
- To establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the Company;
- Performing such other activities as may be delegated by the Board or specified or provided under the Companies Act, 2013 and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.

CSR Initiatives and programs

The CSR committee of the Company will, keeping in view the Companies Act,2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, any amendment(s) thereto and also pursuant to **Schedule VII** to the Act, recommend and proceed to carry out predominantly the following activities:

- 1) 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.
- 2) Promotion of Education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.

Further, pursuant to Schedule VII to the Act, the Committee may recommend and proceed to carry out any of the following activities, as the CSR Committee may deem fit subject to approval of the Board, from time to time:

- 1) 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.

- 2) 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.
- 3) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts.
- 4) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic Sports.
- 5) 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.
- 6) Relief to victims of Natural Calamities like Earth-quake, Cyclone, Drought & Flood situation in any part of the country either directly or through contribution to recognized relief funds.

The above list is illustrative and not exhaustive. The CSR Committee may consider CSR activities which are not included in this list. The Company may also carry on other specific projects/ programs permitted under the law from time to time.

It is clarified that, all the aforesaid activities or programs shall be undertaken in India only, and also that such programs and activities shall not be designed to benefit only the employees of the Company and their families.

Conditions and Restrictions for CSR Activities

The CSR Committee and the Board of Directors shall be governed by the following conditions and restrictions while undertaking any CSR projects/programmes/activities:

- The CSR projects/programmes/activities undertaken by the Company, as per this policy shall exclude activities undertaken in pursuance of its normal business.
- The CSR projects/programmes/activities shall be undertaken in India only except for training of Indian sports personnel outside India who is representing any State or Union Territory at national level or India at international level.
- The CSR projects/programmes/activities that benefit only the employees of the Company and their families, shall not be considered and not qualify as CSR expenditure.

- Contribution of any amount directly or indirectly to any political party, front or ideology under Section 182, shall not be considered and not qualify as CSR expenditure.
- The surplus, if any, arising out of the CSR projects/programmes/activities shall not form part of the business profit of the Company.
- Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services shall not form part of CSR expenditure.
- Activities carried out for fulfilment of any other statutory obligations under any law in force.

Allocation of funds

The Company shall spend not less than 2% of its average net profits for the immediately preceding three financial years or such other minimum amount as specified under the provisions of Section 135 of the Companies Act, 2013.

Provided further that the allocation of the funds for CSR activities shall not be at the cost of or in place / stead of the statutory / contractual obligations of the Company towards the government, banks and financial institutions.

Provided further that the surplus arising out of the CSR Projects or Programs or Activities shall not form part of the business profit of the Company.

If Company spends any amount over and above such 2% of average, the same is to be considered as excess CSR expenditure which can be set-off in the immediate succeeding three financial years subject to the conditions as prescribed under the Act i.e. the CSR budget will be non-lapsable in nature.

In order to compute whether the Company has under spent or over spent, it shall consider the following:

1. Project Cost – it shall include designing, implementation, monitoring and evaluation cost incurred directly or indirectly on the project.
2. Administrative Overheads – to ensure that such expenses shall not exceed 5% of the total CSR expenditure of the Company for the financial year. Further, these expenses would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.

Selection

The CSR Committee will evaluate the parameters while selecting the project, the main focus areas, other areas where there exists a need for CSR Project along with the proportion of CSR spending to be apportioned for these purposes so that there is an adequate positive impact arising out of the activities undertaken by the Company.

The CSR Committee may also decide to contribute the entire or part of the amount to any fund as is within the scope of CSR Provisions.

Reporting & Monitoring

CSR initiatives of the Company will also be reported in the Annual Report of the Company. To ensure effective implementation of the CSR programmes undertaken by the Company, a monitoring mechanism will be put in place.

The person responsible for financial management for the said purpose shall certify to the fact that CSR funds so disbursed have been utilized for the purposes and in the manner approved by the Board.

Guiding Principles for Annual Action Plan

The Company shall prepare an Annual Action plan of the Company to identify the activities and the CSR expenditure to be spent during the year which shall include the details as mentioned in the rules.

Further, the guiding principles required to formulate the Annual Action Plan are as follows:

- a. CSR programs shall not include activities as restricted under the amended CSR Rules.
- b. The preference for CSR programs is to be given by Company to local areas and areas around its operations.
- c. All the guiding principles as required to be followed for implementing and monitoring the CSR Activities shall also be followed while formulating the Annual Action Plan.
- d. Action plan shall be Simple, Measurable, Action oriented, Relevant and Time Bound.

During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s).

Fields of Operation of CSR Activities

Within the framework of the CSR provisions, especially schedule VII of the Companies Act, 2013, the CSR Committee shall have full authority to choose and Implement CSR activities / projects / programs even if such activities / projects / programs do not fall within the preferred fields as mentioned above.

Removal of Difficulties

- Any term not defined in the CSR Policy shall have the meaning as prescribed to it under any of the CSR Provisions.
- The Board shall have power to amend / modify any of the clauses of the CSR Policy and they may do so either at a Board Meeting or by way of a Circular Resolution.
- The interpretation of any of the terms / clauses etc. of the CSR Policy shall rest with the CSR Committee.

Publication of the CSR Policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

Miscellaneous:

In case of any doubt with regard to any provision(s) of the policy, a reference can be made to CSR Committee of the Company. 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 as may be issued by Government, from time to time.

The Board may review the policy from time to time and make suitable modifications, as may be necessary and submit the same for the approval of the Board.