

CSR POLICY

1. Preamble

The **Sunil Hitech Engineers Limited** (the Company) has been one of the foremost proponents of inclusive growth and has been continuing to undertake projects for overall development and welfare of the society in the fields of rural development projects, education, environmental sustainability, conservation of natural resources, promoting proactive healthcare, etc.

2. Objective

The Company aspires to be a leading company in the field of Infrastructure while maintaining a clear focus on social upliftment and environment protection for inclusive growth to the realization of a truly empowered society. The Corporate Social Responsibility Policy (CSR Policy) lays down the guidelines and mechanism to carry out CSR Projects by the Company and to report its CSR work in the format provided by the Corporate Social Responsibility Rules (CSR Rules) under the Companies Act, 2013 (the Act).

3. Constitution of CSR Committee and Formulation of CSR Policy

The Board of Directors of the Company at its meeting held on 29th May, 2014, constituted a Corporate Social Responsibility Committee of the Board (CSR Committee). The role of the Committee, inter alia, includes the following:

- (i) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- (ii) Recommend the amount of expenditure to be incurred on the activities.
- (iii) Monitor the CSR Policy of the Company from time to time.

4. CSR Policy

This policy has been framed in accordance with Section 135 of the Act and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Government of India and shall apply to all CSR projects to be undertaken by the Company as per Schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalised, disadvantaged, poor or deprived sections of the community and the environment.

5. CSR Activities and Budget

The Company shall undertake CSR activities as defined in Schedule VII of the Act. The Board would approve at least two percent of the average net profits of the company made during the three immediately preceding financial years to be spent on CSR activities during every financial year as recommended by the CSR Committee and as required under law.

6. Governance of CSR Policy

The Company will constitute a governing mechanism to oversee the implementation of its CSR Policy, in compliance with the Act. The CSR Committee along with the Board shall be responsible for all the decisions taken with regard to the Company's CSR Policy.

7. Planning and Implementation

The Company shall list the CSR projects to be undertaken as per format prescribed in the Annexure-A. It will be ensured that all the CSR activities are compliant of the provisions of the Act and are in

line with Schedule VII to the Act. The Company may consult enabling organizations and regulatory bodies to carry out its CSR projects in a smoother fashion.

A. Implementing Agencies

The projects can undertaken by:

- i. The Company
- ii. A collaborative effort with other corporate doing similar CSR activities with common interest and objectives.
- iii. Any/all of the following established by the Company or its holding or subsidiary or associate company;
 - (a) A Registered Trust
 - (b) A Registered Society
 - (c) A Section 8 Company under Companies Act, 2013

In case any of above is not established by the company or its holding or subsidiary or associates company, it must have an established track record of three years in undertaking similar projects.

B. CSR Team

The CSR Team will be responsible for the actual on-ground implementation of CSR projects across the various areas of intervention of the Company. They will also:

- i. Be responsible for the execution of the decision taken by the CSR Committee.
- ii. Implement projects based on set targets and action plans and regularly monitor them.
- iii. Find suitable implementation partners and conduct due diligence.
- iv. Evaluate possible collaborations with other organizations on CSR projects.
- v. Provide annual progress reports to the CSR Committee.

8. Monitoring

A comprehensive monitoring mechanism will be devised by the Company to ensure that the CSR process functions as mandated by the Act and projects as budgeted are duly carried out and the budget is optimally utilized. Monitoring may have both an electronic MIS and human architecture that must work together to ensure a check on the above. This may include regular field visits to project sites, activity-wise documentation of the same in the form of field reports, regular interaction with beneficiary communities to obtain feedback and compilation of field visit report at regular intervals.

9. Impact Assessment

The company may take up appropriate evaluation and impact assessment of the projects. Third parties may be engaged for this to ensure objective assessment. There shall be clarity about the objective/scope of the project and the need it is attempting to address.

10. Documentation

The CSR Team of the Company will ensure that CSR projects are documented and accountability is fixed at requisite level of the CSR process and the implementation mechanism. A repository of case studies and good practices may be compiled to learn from and build upon successful intervention.

11. Disclosure

The company shall follow and comply with the requirements for disclosure of the CSR Policy and/or CSR activities in the Board's Report and on the website of the Company or otherwise, as may be required in terms of the provisions of the act, as applicable from time to time.