

CORPORATE SOCIAL RESPONSIBILITY POLICY OF THE HI-TECH GEARS LIMITED

1 PREAMBLE

1.1 Concept

Corporate Social Responsibility is a Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Corporate enterprises are expected to conduct their business operations and activities in a socially responsible and sustainable manner at all times. An organization should make decisions based not only on financial factors, but also considering the social and environmental consequences. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intent to make a positive contribution to the society in which the Company operates.

1.2 Recognizing the above need, Section 135 of the Companies Act, 2013 requires every Company having net worth of Rs 500 crore or more; or turnover of Rs 1000 crore or more; or a net profit of Rs 5 crore or more during any financial year shall constitute a Corporate Social Responsibility ("CSR") Committee of the Board. The Committee to consist of three or more directors out of which at least one director shall be an independent director.

2 APPLICABILITY

2.1 The Hi-Tech Gears Limited (hereby referred to as the Company) CSR policy has been developed in accordance to Section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014 and Listing Regulations.

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

2.3 This policy shall be applicable to Company.

3 VISION

3.1 The tag line of this policy is "Time to Return to Society".

4 CSR COMMITTEE

4.1 Composition of the CSR committee

Name	Category	Designation
Mr. Krishna Chandra Verma	Non-executive Independent director	Chairman
Mr. Deep Kapuria	Executive director	Member
Mr. Pranav Kapuria	Executive director	Member
Mr. Ramesh Chandra Jain	Non-executive Independent director	Member

Company secretary of the company shall act as secretary of the CSR committee.

4.2 Roles & Responsibilities of the CSR Committee

- a. Formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- b. The amount of expenditure to be incurred on the activities to be undertaken by the company shall be specified in Schedule VII of the Companies Act, 2013;
- c. Monitor the Corporate Social Responsibility Policy of the company from time to time;
- d. Other activities, as may be undertaken from time to time in accordance with a. to c. above.

4.3 Meetings

The CSR Committee shall meet as and when deemed necessary to carry out its duties effectively, pursuant to the applicable Rules & requirement of SEBI (LODR) Regulation 2015, wherever applicable.

Company Secretary to give notice of every such meeting to each member.

A meeting of the Corporate Social Responsibility Committee may be convened by the Chairman or any member of the Corporate Social Responsibility Committee, upon simple requisition.

Secretary is required to maintain proper minutes of such meeting.

4.4 Sitting Fees

The Sitting Fees for attending the meeting shall be determined from time to time by the Board of Directors.

4.5 Quorum

Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher and the quorum to be in accordance with the applicable Rules & requirement of SEBI (LODR) Regulation 2015, wherever applicable.

4.6 Invitation

The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting. The Committee may ask their view, if required.

5. LIST OF ACTIVITIES

The Company shall undertake any of the following Activities/ Projects 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").

The current activities/ projects are defined in schedule VII of the Act as under:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care 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, 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 centers 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, agro forestry, 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;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, Paralympics and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
- ix. Contribution or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- x. Rural development projects;
- xi. Slum Area development. '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."

6. IMPLEMENTATION OF CSR ACTIVITIES

- i. 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.
- ii. CSR programs will be undertaken by various work centers i.e. corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified Project/ Program.
- iii. 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.
- iv. The Company may undertake CSR Activities through a registered trust or society or any company, established by the Company, its holding or subsidiary Company under Section 8 of the Act for such non-for-profit objectives or through any other Establishment/ Entity/ NGO etc. which fulfills the requirement of the Rules and intent of CSR.
- v. The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfillment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "Rules").
- vi. If the Company fails to spend, the amount stated hereinabove, then reason for not spending shall be stated in the Directors Report.
- vii. The process for implementation of CSR Program's will involve the following steps :

Identification of Program's/ Projects will be done by means of the following:

- (a) Need identification Studies by the Senior Management/ professional institutions/agencies.
- (b) Internal need assessment by cross-functional team at the local level.
- (c) Receipt of proposals/requests from District Administration/local Govt. etc.
- (d) Suggestions from the Board of Directors/senior management level.

viii. Project based approach:

While identifying the Projects/ Program's, all efforts must be made to the extent possible to define the following:

- a. Program objectives
- b. Baseline survey – It would give the basis on which the outcome of the program would be measured.
- c. Implementation schedules- Timelines for milestones of the program will need to be prescribed
- d. Responsibilities and authorities
- e. Major results expected and measurable outcome.

7. FOCUS AREA

The following shall be the focus area, which shall be implemented through the various Projects/ Program's by the name mentioned in Focus Area. However, the activity list of projects is not restricted/ exclusive. It may be extended, subject to the reference to be made to CSR Committee.

7.1 Integrated community development

Based on community needs assessment and to add value to the resettlement and rehabilitation process.

Elements of these projects to include:

- (a) Supply of potable drinking water through dug wells, hand pumps etc.;
- (b) Assist with rain water harvesting;
- (c) Promote sanitation, build or assist in building directly or indirectly toilets for better hygiene and safety of girls/ women;
- (d) Facilitate access to electricity using environment friendly technologies such as solar energy;
- (e) Facilitate skill development for livelihood and income generation;
- (f) Help formation of self-help Groups and promote micro finance initiatives for economic empowerment;
- (g) Improve transport facilities to enhance access to existing services;
- (h) Ensure that children have access to educational facilities;
- (i) Improve health situation of the communities;
- (j) Adopt villages for all round development where feasible and appropriate;
- (k) Respond to any other locally felt need.

7.2 Environment

- (a) Raise awareness about environment conservation;
- (b) Promote waste management and other environment friendly activities;
- (c) Set up and manage paper recycling unit to minimize paper waste and environmental damage;
- (d) Develop green belts around the airport where feasible;
- (e) Promote social forestry and afforestation;
- (f) Design and implement community based projects for energy conservation, pollution reduction and environment protection such as promoting use of solar energy, smokeless cook stoves etc.

7.3 Education including Technical Education

- (a) Establish and manage directly or in co-operation with other partners, schools/ institutions for formal & technical education.
- (b) Develop, support and maintain educational institutions, vocational, technical training institutes, centers for non-formal education etc. This will include providing grants/ assistance to schools in rural/urban slum areas for necessary infrastructure such as building, electricity, furniture, computers etc.
- (c) Provide scholarships or financial support to children from the affected communities who have demonstrated extra-ordinary talent in academics or other skills and belong to socially and economically marginalized communities.
- (d) Ensure that underprivileged children are provided access to free education through the existing educational systems managed by the Authority.
- (e) Supply study materials (such as books, stationery etc.), sponsorship, grant, lump-sum amount and scholarship to children from the poor, and underprivileged sections.
- (f) Provide contribution/ funds to technology incubators located within academic institution which are approved by the Central Government providing funds assistance in any form to Institutions for the furtherance of Research & Development for society, industry and country.
- (g) Undertake any other activities that contribute towards promoting the education including technical education and employment enhancing vocational skills of communities through Institutions/ Universities etc.
- (h) Respond to any other need for promotion of Education including Technical Education.

7.4 Health

- (a) Strengthen health systems to expand coverage of health services with a focus on women, children and disabled persons.
- (b) Provide facilities (such as mobile clinics) to enhance access to health care services directly or in partnership with other PSUs, corporate, government schemes etc.
- (c) Organize health check up camps, awareness camps, eye camps etc to raise awareness and provide outreach services for locally relevant health issues such as TB, HIV/AIDS, leprosy, cataract etc. Special attention will be given to women, children and elderly persons.

(d) In partnership with other private and government providers respond to national health priorities and the Millennium Development Goals.

(e) Design and implement projects that address priority local needs such as drug abuse, alcoholism etc.

(f) Design, produce and distribute relevant health related public information materials and films to propagate important messages to a large audience.

(g) Contribute the lump-sum to Other Entities/ Organizations for the advancement of the medical awareness and provision of facility for poor, deprived, underprivileged and differently abled persons.

7.5 DISASTER MANAGEMENT

(a) Integrate disaster preparedness and related capacity building into the ongoing initiatives for community development

(b) Actively contribute towards local and national efforts for disaster mitigation

7.6. OTHERS

(a) Identify young talent in various sports and games and support them to achieve their full potential.

(b) Sponsor sporting events in rural/semi urban areas to enable the development of a sporting culture in the country

(c) Sponsor deserving candidates for coaching and training to strengthen their sporting skills.

(d) Respond promptly to any natural calamity such as flood, earthquakes, famines, or the outbreak of a disease and contribute to local and national rehabilitation process, as appropriate.

(e) Empower families of staff and encourage their participation in CSR initiatives; organize sensitization programs, lectures, workshops etc. to ensure a healthy work environment with special focus on making workplaces safer for women.

(f) Make arrangement for crèches for children of contractual laborer's.

8. MONITORING AND REPORTING FRAMEWORK

The Hi-Tech Gears Limited's CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the activities of CSR. The CSR Committee will present Company's annual budgets and list of programs, projects, and activities to the Board for its approval. In compliance with the Act and to ensure funds spent on CSR programs are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework will be put in place. Thereafter, CSR Committee will report to the Board about the CSR expenditure throughout the year.

9. GENERAL

a. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

b. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

c. The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.

d. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

10. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of CSR Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

11. DISSEMINATION

The Company's CSR Policy shall be published on its website, if required

Incorporated on	:	August 06, 2014
Modified on	:	February 12, 2015
Amended Policy Effective From	:	April 01, 2019