EUROTECK ENVIRONMENTAL PRIVATE LIMITED

Corporate Social Responsibility (CSR) Policy

With effect from 03rd April, 2023

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Hyderabad

ABBREVIATIONS

1. **"Act"** shall mean the Companies Act, 2013 including any modifications, amendments or re-enactments thereof.

2. **"Average Net Profit"** here means average net profit calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

3. **"Board"** shall mean the Board of Directors of the Company.

4. **"Company"** shall mean Euroteck Environmental Private Limited

5. **"CSR"** shall mean Corporate Social Responsibility.

6. **"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.

7. **"CSR Budget"** shall mean the total budget as approved by the Board of Directors of the Company, which is to be spent or utilized for CSR activities.

8. **"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.

9. **"CSR Expenditure"** shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors.

10. **"CSR Policy"** shall mean the Corporate Social Responsibility Policy of the Company.

11. **"Financial Year"** shall mean the period beginning from 01st April of every year to 31st March of the succeeding year.

12. **"Net Profit"** shall mean the net profit of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.

13. **"Rules"** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactments thereof.

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I. PREAMBLE

The Companies Act, 2013 has brought the concept of Corporate Social Responsibility in the limelight for all the qualifying companies through its "Comply –or – Explain mandate." The concept of Corporate Social Responsibility has gained prominence from all avenues. 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 concept of CSR provisions puts a formal and greater responsibility on the Companies setting out a clear framework and process to ensure strict compliance.

II. INTRODUCTION

Euroteck Environmental Private Limited (the "**Company**"), a Private Limited Company, incorporated under the Companies Act, 1956 and having its registered office at 5th Floor Slot No 504 Modern Profound Tech Park, Plot No 5, 6 Sy No 12, Kondapur serilingampally, Hyderabad-500 084, Telangana has formulated and adopted this Corporate Social Responsibility Policy in terms of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Section 135 of the Companies Act, 2013, requires the Company to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, on the recommendations of the CSR Committee, this Policy was reviewed and approved by the Board of Directors of the Company at its meeting held on **03rd April, 2023** with immediate effect.

III. OBJECTIVE

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by businessmen to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods that positively impacts the society at large.

The main objective of CSR policy is to lay down guidelines for the companies to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. The Company will act as a good Corporate Citizen, subscribing to the principles of Global Compact for implementation.

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This Policy specifies the projects and programmes that can be undertaken, provides a list of CSR projects/ programmes in terms of the Schedule VII to the Companies Act, 2013, including any amendments thereto which the Company plans to undertake during the implementation years, specifies the modalities of execution in the areas/ sectors chosen and the implementation schedule.

The scope of the Policy has been kept as wide as possible, so as to allow the Company to respond to different situations and challenges appropriately and flexibly, subject to the activities enumerated in Schedule VII of the Companies Act, 2013 including any amendments thereto.

IV. CONSTITUTION OF CSR COMMITTEE

In terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors of the Company at its meeting held on 03rd April, 2023 has constituted the CSR Committee the following members;

Name of Director	Designation
Raja Kumar Kurra	Managing Director
Hiral Rajakumar Kurra	Whole-time Director

V. FREQUENCY OF THE MEETINGS OF THE CSR COMMITTEE

The CSR Committee shall meet at such periodic intervals as may be required. The Members of CSR Committee can agree upon mutually regarding time and place for the said meetings. Quorum for the meeting should be majority of the members. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Companies Act, 2013 and rules made there under from time to time. Other members of the Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee.

VI. ROLE OF CSR COMMITTEE

The CSR Committee will play the following role in fulfilling the Company's CSR objectives:

- Formulate CSR Policy and recommend the same to the Board of Directors of the Company for its approval;
- Identify CSR activities to be undertaken as per Schedule VII of the Companies Act, 2013 towards CSR initiatives;
- Recommend the CSR expenditure/CSR Budget;
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- Formulation of a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Company or the end use of the amount spent by it towards CSR activities;
- Regularly Monitor and implement CSR Policy from time to time;
- Annually report to the Board, the status of the CSR activities and contributions made by the Company;

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- Change/modify the CSR policy as per the requirement;
- Authorize executives of the Company to attend the CSR Committee Meetings; and
- To carry out any other requirements mandated under the Act and Rules issued thereto.

VII. AREAS TO BE COVERED FOR CSR

Schedule VII to the Companies Act, 2013 lists down the activities which may be included by companies in their corporate social responsibility policies. The said activities relates to –

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 home 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, conversation 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 arts and handicrafts;

vi. measures for the benefit of armed forces veterans, war widows and their dependents;

vii. training to promote rural sports, nationally recognised 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, tribes, other backward classes, minorities and women;

ix. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology engaged in conducting

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x. rural development projects;

xi. slum area development;

[*Explanation*: For the purpose 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; and

xiii. any other activity as may be notified by the Government from time to time.

The Company shall give preference to the local area and areas around it where it operates for spending the amount earmarked for CSR activities.

VIII. ALLOCATION OF FUNDS FOR CSR ACTIVITIES

1. The Board of Directors of the Company shall ensure that in each financial year the Company spends at least 2% (Two) of the average net profits made during the three immediately preceding financial years or such other minimum amount in pursuance of its corporate social responsibility and subject to Section 135 of the Companies Act, 2013 and the rules made there under.

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

3. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.

4. The Company may collaborate or pool resources with other companies to undertake CSR activities.

5. As per Section 135 of the Companies Act, 2013, the Company will report in its annual report to the shareholders of the Company, reasons, if any, for under spending the allocated CSR Budget in any of the financial year.

IX. CSR IN COLLABORATION OR THROUGH AMEDIUM

The Company will undertake its CSR activities as approved by the CSR Committee, through itself or through a registered trust or registered society or a Company established by the Company under Section 8 of the Companies Act, 2013.

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The CSR Committee will decide the mode of execution of such activities /projects i.e. whether such activities will be carried out by a registered and approved trust or society or a company with an established track record of not less than three years in undertaking similar programs or projects or they will be carried out by team of persons specifically formed for such purpose(s) or such other mode as is within the scope of the CSR Provisions and most suitable for execution of that particular activity / project.

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.

X. MONITORING MECHANISM & REPORTS

An employee of the Company who is being appointed by the CSR Committee is held responsible to ensure effective implementation and monitoring of the projects approved by the CSR Committee. The employee will submit periodic reports to the CSR Committee of the Company on the progress of the various projects approved by the Committee.

XI. CRITERIA FOR IDENTIFYING CSR PROJECTS

While identifying the projects all efforts must be made to the extent possible to define the following:

a. Project objectives.

b. Baseline survey – It would give the basis on which the outcome of the Project would be measured.

c. Implementation schedules- Timelines for milestones of the Project will need to be prescribed.

d. Responsibilities and authorities.

e. Major results expected and measurable outcome.

XII. IMPACT ASSESSMENT

The company shall undertake an impact assessment of its CSR activities in accordance with the CSR Rules in the event it is required to do so as per the threshold limits specified under the Companies Act, 2013 and the Rules issued thereunder from time to time.

XIII. 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.

XIV. POLICY REVIEW & FUTURE AMENDMENT

The Committee shall review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

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XV. **REMOVAL OF DIFFICULTIES**

Any term not defined in the CSR Policy shall have the meaning ascribed to it under any of the CSR Provisions.

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