

SUNTECK REALTY LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Board of Directors (the “Board”) of Sunteck Realty Limited (the “Company” or “SRL”) acting upon the recommendation of the Corporate Social Responsibility Policy Committee (the “Committee”), has adopted the following policy and procedures with regard to the Company’s Social Responsibility:

SHORT TITLE & APPLICABILITY

This policy, which encompasses Company’s philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large, is termed as the “SRL CSR Policy”. This policy shall apply to all CSR programs taken up at the various locations for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

CSR VISION STATEMENT & OBJECTIVE:

In alignment with vision of the company, SRL, through its CSR programs, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and programs, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

The main objective of this Policy is to set guiding principles and the general framework for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR programs to be undertaken by the Company. The Policy will function as a built-in, self regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms.

CSR PROGRAMME AREAS AND OBJECTIVES

The Company may undertake Activities/Projects or such other activities/ projects as per Annexure A and as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility (“CSR”).

TOTAL OUTLAY

In line with the new Companies Act 2013 (the Act), the Company is required to contribute at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the company.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the Unspent CSR Account and it should be spent in pursuance of this CSR policy and annual action plan of the Company, or the Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the “Unspent Corporate Social Responsibility Account”. Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

IMPLEMENTATION

CSR initiatives will be implemented either directly by the Company or through:

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or
- (b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The implementing agencies would need to be registered under section 12A and 80 G of the Income Tax Act, 1961. The above entities shall register with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 1st April 2021.

The Company may engage International Organisations (as defined in Clause 2(g) of the Companies (Corporate Social Responsibility Policy) Rules 2014) for designing, monitoring, and evaluation of CSR Projects as well as capacity building of their personnel.

The Company may also collaborate with other companies to undertake CSR projects, provided the CSR Committees of the respective companies are able to report separately on such projects.

GOVERNANCE AND MONITORING PROCESS

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy and monitoring of CSR projects as per the requirements of Section 135 of the Companies Act, 2013.

CSR Committee:

Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for formulating and recommending to the Board the CSR policy and a CSR annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect. The CSR Committee reports to the Company's Board of Directors.

The Corporate Social Responsibility Committee shall consist of three or more Directors amongst which one shall be an Independent Director. The Committee shall hold meetings as and when required, to discuss various aspects on implementation of the CSR activities.

The CSR Annual Action Plan shall include the following:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act, as amended from time to time and any other programmes permitted by any Circulars/Rules/Guidelines by Regulatory Authorities,
- (b) the manner of execution of such projects or programmes,
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes,
- (d) monitoring and reporting mechanism for the projects or programmes and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

REPORTING AND WEBSITE DISCLOSURE

The Company would upload Composition of CSR Committee and its CSR Policy. A report on the CSR activities will be disclosed every year as part of the Directors' Report in the Annual Report. The said information will also be uploaded on the website of the Company.

REVIEW AND DISCLOSURE OF POLICY

All provisions of the Act (as amended from time to time) shall be deemed to have incorporated in the policy unless otherwise explicitly provided for. The Board shall review the policy from time to time and the Board of Directors of the Company are authorised to make such alterations to this Policy as considered appropriate, subject to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.

Annexure A

Activities which may be included by companies in their Corporate Social Responsibility Policies
Activities relating 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. Further promoting education activities, economic development activities, including activities for constructing/conserving promoting schools, colleges, university(s) for pre-primary, primary, secondary, undergraduate, post-graduate, doctoral, post-doctoral, vocational or otherwise in various branches or fields of education and providing education scholarships and fellowships, activities for providing employment opportunities or livelihood, activities for promoting the social and/or economic welfare of or the upliftment of people,
- iii. 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.
- iv. 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.
- 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 art 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- ix. (a). Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b). Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

x. rural development projects.

xi. slum area development

Explanation.- For the purposes 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.