



RAUNAQ EPC INTERNATIONAL LIMITED

Corporate Social Responsibility (CSR) Policy

1. Preamble

Corporate Social Responsibility is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. Corporate Social Responsibility extends beyond philanthropic activities and reaches out to the integration of social and business goals. These activities need to be seen as those which would, in the long term, help secure a sustainable competitive advantage.

2. Background

Raunaq EPC International Ltd., (hereinafter described as “REIL” or “the Company”) has, since its inception, seen itself as a responsible corporate citizen ready for giving back to the society and has been contributing in activities, which promote various social and charitable objectives.

Over the years, the Company has been contributing/donating towards various charitable activities through NGOs like ‘Action for Autism’, which is a non-profit autism society of India founded in 1991 and supports and services to the persons affected with autism and those who work with them in South Asia. The Company also carries out various CSR activities through ‘Surinder Kanwar Foundation’, a trust formed in 1997, which has been providing scholarships and other kinds of aid to the students of weaker section of the society, including supply of books, stipends, medals and other incentives to study without any distinction as to casts, creed, race, or gender in India.

3. Governance

The Company has a robust and transparent governance structure to supervise the implementation of the CSR Policy and annual action plan, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

3.1 Board of Directors

The Board is entrusted, *inter alia*, the following roles and responsibilities:

- i. Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.



- ii. Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of CSR Committee, based on the reasonable justification to that effect.
- iii. Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of the Company's CSR Policy, if applicable.
- iv. Ensure that the Company treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.
- v. Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- vi. Disclose the composition of the CSR Committee, CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.

3.2 CSR Committee

The Company has already constituted a CSR Committee, which comprises of the following Directors.

- (i) Mr. Surinder Paul Kanwar – Committee Chairman
(Chairman and Managing Director)
- (ii) Mr. Rajiv Chandra Rastogi – Member
(Independent Director)
- (iii) Dr. Sanjeev Kumar-Member
(Independent Director)

The committee is entrusted, *inter alia*, the following tasks:

- (a) Formulate and recommend to the Board, Corporate Social Responsibility (CSR Policy) and annual action plan in pursuance of CSR Policy consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.
- (b) Monitor the Corporate Social Responsibility Policy and annual action plan of the Company from time to time.
- (c) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.
- (d) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.