

## CORPORATE SOCIAL RESPONSIBILITY POLICY



Revised on  8-12-2022	Reviewed by	Mr. Siddhesh Zantye, Company Secretary	Page 1 of 9
	Approved by	Board of Directors, PCM	
	Issued by	Mr. Kanjanabha Bhattacharyya, Managing Director and Mr. Ranjeev Dubey, Director	
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## CORPORATE SOCIAL RESPONSIBILITY POLICY

[Pursuant to Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

### I. OVERVIEW

Putzmeister Concrete Machines Private Limited ("Company") has long been actively involved in social and community development. We are committed towards social causes and their development.

As required under the provisions of Companies Act, 2013 ("Act"), the Company is pleased to announce its Corporate Social Responsibility Policy ("CSR Policy" or "Policy"). Our goal shall be to focus on CSR activities strictly in compliance with applicable laws from time to time in force, including the Act and the rules thereunder. Towards this purpose, the Policy has been designed to achieve the Company's social goals, while satisfying the required statutory obligations.

### II. CSR FOCUS AREAS

In accordance with the primary CSR philosophy of the Company and in compliance with the provisions of Section 135 of the Companies Act, 2013, the activities broadly laid under Schedule VII of the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time.

The list of activities specified under schedule VII of the Companies Act, 2013, as on the date of the policy, are as under:—

- (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 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.



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- (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; Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) training to promote rural sports, nationally recognized sports, paralympic sports and Olympics 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;
  - (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).
- (ix) rural development projects;
- (x) slum area development.
- (xi) disaster management, including relief, rehabilitation and reconstruction activities.

### III. CSR COMMITTEE

CSR Committee shall be constituted by the Board of Directors of the Company. The roles, responsibilities and functioning of the CSR Committee shall be as provided below:

- **Constitution:** CSR Committee shall consist of minimum two members of the Board of Directors of the Company at any given point of time.
- **Responsibility:**
  - ✓ Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified and any changes thereto.



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- ✓ Recommend the amount of expenditure to be incurred on the said CSR activities
- ✓ Monitor the CSR Policy of the Company from time to time.
- **Quorum:** Any two members of the CSR Committee personally present or via video conferencing, shall form a quorum for the meeting of the CSR Committee.
- **Meetings:** The meetings of the CSR Committee shall be held as required/requested by members. Meetings can be convened at such time, at such place and on such day, as the members of the CSR Committee may deem fit. The minutes recording the proceedings of the CSR Committee meetings shall be placed before the next board meeting of the Company for approval. Provisions relating to conducting board meetings via video conferencing shall apply mutatis mutandis to the CSR Committee meetings.
- **Notices:** Any one of the CSR Committee members or the Company Secretary of the Company shall be authorised to issue notice to convene the meetings of the CSR Committee.
- **Membership:** Membership of the CSR Committee is restricted to the Board of Directors of the Company. The CSR Committee may invite experts from various fields or officers or employees of the Company to attend its meetings and provide such expert views, comments, updates, information or clarification or for such other purpose as the CSR Committee deems necessary to conduct the business.
- **Decisions:** Matters transacted at the meetings of the CSR Committee or by way of resolutions by circulation shall be decided by majority vote of the CSR Committee members. All decisions of the committee shall be ratified by the board.
- **Matters to be transacted:** CSR Committee may as appropriate discuss the following matters at its meetings:
  - Review of budget outlay for each of the CSR activities;
  - Implementation review for each of the CSR activities;
  - Report to the Board on the CSR activities carried out from the date of last meeting till date with supporting documents;
  - Discussion on the new proposals, if any;
  - Review of the road map for the CSR activities to be carried out; and
  - Any other matter as the CSR Committee may deem fit.
- **Jurisdiction:** The Board of Directors or the CSR Committee, as the case may be, shall exercise its jurisdiction over the CSR activities carried or proposed to be carried within India.

#### IV. IMPLEMENTATION OF CSR ACTIVITIES

The CSR Committee shall appoint a **CSR internal working group** and allocate responsibilities to carry out CSR

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activities. The CSR internal working group will consist of members from the various functional groups of the company consisting of CSR Lead and other functional group members as decided by the CSR Committee.

The Company may carry out the CSR activities in accordance with the terms of this Policy, either on its own, or through a registered trust or registered society or through a company registered under Section 8 of the Act, whether established by the Company or by a third party.

If the Company chooses to carry out the CSR Activities through a registered trust or registered society or a Section 8 company incorporated under the Act, which is established by a third party ("CSR Partner"), guidelines mentioned in Clause VI below are required to be followed in choosing such CSR Partner. The Company may have more than one CSR Partner.

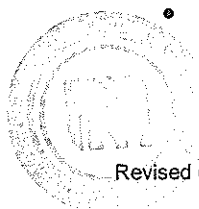
### V. ROLE AND RESPONSIBILITIES OF THE CSR INTERNAL WORKING GROUP

CSR Internal Working Group Committee shall:

- Formulate and recommend the amount of expenditure to be incurred by the Company in each financial year in relation to the CSR Activities to the CSR Committee of the Company. Such expenditure shall be calculated in accordance with the provisions of the Act after consultation with the finance department of the Company;
- Identify and recommend CSR Activities to the CSR Committee of the Company which are covered under this Policy by providing a project report. The project report shall elaborate on the sectors in which the CSR Activities shall be carried out and the modalities of execution of the CSR Activities, budget outlay, implementation schedule, location where the CSR Activities are proposed to be implemented and impact of such CSR Activities on the target audience;
- Recommend the allocation budget to each of the CSR Activities and the CSR Partners to the CSR Committee;
- Undertake all necessary steps to implement the CSR Activities in accordance with the implementation schedule, as approved by the Board;
- Monitor the CSR Activities in such manner as prescribed in this Policy;
- Update the CSR Committee from time to time on the progress of the CSR Activities along with a report on the amount allocated for such activity, amount utilized, amount unspent, if any, additional funds required, if any and expenditure incurred; and
- Ensure that the CSR amount shall not be utilized on Activities that benefit only the employees and their families.

### VI. GUIDELINES FOR CHOOSING A CSR PARTNER

- CSR Partner shall be either a registered trust or a registered society under the applicable laws or a company incorporated under Section 8 of the Act with an established track record of 3 years in undertaking activities in the focus areas in which the Company intends to carryout CSR Activities.





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- The board of directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner or the CSR Partner itself, shall not in any way be, directly or indirectly, connected with any political parties and the CSR Partner should not be, directly or indirectly, promoted by political parties.
- CSR Partner shall not engage in religious or political activities, for the private benefit of the CSR Partner. CSR partner shall not discriminate on the basis of race, colour, religion, sex, age, national origin, citizenship status, disability, sexual orientation, veteran status, political affiliation or any other protected status.
- The board of directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner should not be adjudicated as an insolvent or convicted by a Court of any offence involving moral turpitude.
- CSR Partner should not be or should not have been a party at any time to bankruptcy or insolvency or winding up proceedings or to proceedings involving a composition of creditors, or should not make or should not have at any time made an assignment for the benefit of creditors. Custodian, receiver or any other person with like power should not have been appointed to take charge of or liquidate all or a part of the its business, property or assets or no order should have been made or a resolution should have been passed for the winding-up or liquidation or any corporate proceedings for its liquidation, winding-up or dissolution shall have been commenced.
- CSR Partner should have complied with the applicable laws and no notice for non-compliance under any applicable laws should have been received from any authorities.
- CSR Partner should have audited its accounts for each of the financial years from the date of its existence and the financial statements should reflect true and fair view of its affairs.
- The Company shall satisfy itself of the legal, financial and regulatory aspects of the CSR Partner to ensure ability to carry out CSR Activities on behalf of the Company.
- The CSR Committee shall discuss the CSR Policy and the objectives of the Company in this regard with the proposed CSR Partners.
- The Company shall procure a detailed project report from the CSR Partners regarding the course of action that they intend to undertake, if chosen to implement a particular CSR Activity on behalf of the Company.
- The Company shall, before executing the projects with CSR Partners, ensure that the specifications for the project or programs to be undertaken through the CSR Partners, the utilization of funds on such projects and programs and the monitoring and reporting mechanism are made clear.

### **VII. CSR FUND**

The Company shall separately allocate such amount every financial year as per provisions of Act which



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shall not be less than 2% of the average net profits of the company made during the three immediately preceding financial years. Any surplus arising out of CSR Activities implemented by the Company shall not form part of business profits.

The Company shall ensure that the expenses incurred for general management and administration ("administrative overheads") towards the Corporate Social Responsibility functions in the Company do not exceed five percent of total CSR Expenditure for that financial year.

If in any financial year, the Company spends an amount in excess of the above determined CSR Expenditure, such excess amount may be set off against the requirement to spend such amount of CSR Expenditure in the immediately succeeding three financial years subject to the condition that –

- a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in accordance with the provisions of the Companies Act, 2013 and
- b) the Board shall pass a resolution to that effect.

If the Company fails to spend the determined CSR Expenditure (other than any ongoing project), the Board shall pass a resolution to transfer such unspent amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Further, in case an amount remains unspent on any ongoing project undertaken by the Company, the same shall be transferred to a special account named 'Unspent Corporate Social Responsibility Account' opened within a period of thirty days from the end of the financial year, and such amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Initiative's within a period of three 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 thirty days from the date of completion of the third financial year.

### VIII. MONITORING MECHANISM

The monitoring of the CSR Policy and the execution of identified CSR projects, programs and activities shall be carried out under the overall superintendence of the CSR Committee with the assistance of the CSR Internal Working Group. The CSR Activities shall be monitored in the following manner:

- At least one member of the CSR internal working group or his/her representative shall accompany the representatives of the CSR Partner(s) to each of the venues where the CSR Activities are implemented.
- CSR internal working group shall procure from each of the CSR Partners, separately for each of the CSR activity, a status report detailing the utilization of the funds, CSR Activities carried out, reasons for deviation from the implementation schedule, if any, corrective measures taken in this regard,

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requirement of additional funds, if any, along with the reasons for such escalations as and when required by the CSR Committee.

- Procure pictures, videos and stories from the CSR Partners on the completed and ongoing CSR Activities.

### IX. REPORTING

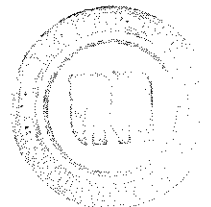
The Board of Directors of the Company shall provide the following information in its report to its shareholders as well as on the website of the Company:

- ✓ Brief outline of the CSR Policy;
- ✓ Website link (if any) to CSR Policy and update on the CSR Activities undertaken by the Company;
- ✓ Composition of CSR Committee;
- ✓ Average net profits of the Company for last three financial years;
- ✓ Prescribed CSR expenditure;
- ✓ Total amount to be spent in a financial year and amount unspent, if any, along with the reasons;
- ✓ Manner in which the amount spent on CSR Activities during a financial year in the following format:
  - ❖ A description of the CSR Activities;
  - ❖ CSR Activities Undertaken – (1) Local Area or Other; and (2) Specify the State and district where CSR Activities were undertaken;
  - ❖ Amount outlay (budget) for each of the CSR Activity;
  - ❖ Amount spent on the CSR Activities – (1) Direct Expenditure; (2) Overheads.
  - ❖ Cumulative expenditure upto the reporting period;
  - ❖ Amount spent – (1) Direct; (2) through the implementing agency; and
  - ❖ Details of the implementing agency.
  - ❖ Reasons for the Company failing to spend the amount required under the Act (if any), on the CSR Activities;
- ✓ Responsibility statement from CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives.

### X. EXCLUSIONS TO CSR ACTIVITIES

The following activities shall not qualify as CSR activities:

- Projects, programs or activities undertaken during the normal course of Company's business;
- Projects or programs or activities undertaken that benefit only the Company's employees, or its customers or vendors, or their families;





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- One-off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programmes etc.;
- Expenses incurred by companies for the fulfilment of any act (other than the Act), statute or regulations (such as Labour Laws, Land Acquisition Act etc.); and
- No portion of salaries paid to and / or time spent by the Company's employees may be factored into CSR Cost.
- any activity undertaken by the company outside India except for training of Indian Sports personnel representing any state or union territory at national level or India at International level;
- contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services;
- activities carried out for fulfilment of any other statutory obligations under any law in force in India.

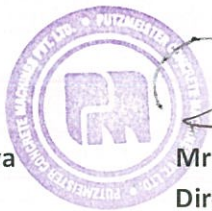
### XI. POLICY REVIEW AND FUTURE AMENDMENT

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

**For Putzmeister Concrete Machines Private Limited**



**Mr. Kanjanabha Bhattacharyya**  
Managing Director  
DIN:07432775



**Mr. Ranjeev Dubey**  
Director  
DIN: 07827089