



**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**OF**

**MAXOP ENGINEERING COMPANY PRIVATE**

**LIMITED**

## **INTRODUCTION**

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Maxop has always endeavored to conduct its business responsibly, mindful of its social accountability, respecting applicable laws and with regard for human dignity. CSR at Maxop is a sincere devotion that stems out of genuine concern and strives to provide comprehensive and sustainable development to the underprivileged and contributing towards the betterment of the society especially to the weaker section through various welfare initiatives.

The Board of Directors of Maxop has adopted the following policy with regard to Corporate Social Responsibility. The Board may review and amend this policy from time to time subject to the recommendations of Corporate Social Responsibility Committee.

## **POLICY**

1. To direct Maxop's CSR Programmes, inter alia, towards achieving one or more of the following –
  - (i) Eradicating hunger, poverty and malnutrition, promoting health care including 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, 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 arts 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 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.

2. To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;

## **CSR FUNDS**

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The company shall allocate at least 2% of its average net profits before taxes of the preceding three years, towards CSR activities to improve the quality of life of the communities it serves.

All the expenditure relating to CSR shall be pre-approved by the CSR Committee.

The person responsible for financial management shall monitor the utilization of funds for the purposes set forth and certify to this effect.

Any unspent CSR funds remaining at the end of a financial year should be transferred in any of the following ways:

- (i) Any unspent amount from an ongoing project should be transferred within 30 days of the end of the financial year, to the specifically designated 'Unspent Corporate Social Responsibility Account' to be opened by the company. These amounts should be spent within the next three financial years, in accordance with the company's CSR policy. If these amounts remain unspent even after the three-year period, then they should be transferred, within six months of the end of the financial year, to any fund specified in Schedule VII of the act (such as the PM National Relief Fund, PM CARES Fund, Disaster Management Fund, Clean Ganga Fund, and so on).
- (ii) Transfer to a Schedule VII fund: If the funds are unallocated to any CSR project, then such unspent amount shall be transferred, within six months of the end of the financial year, to any fund specified in Schedule VII of the act.

#### **ANNUAL ACTION PLAN**

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The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following:

- (i) the list of CSR projects or programmes that are approved and to be undertaken by the company
- (ii) the manner of execution of such projects or programmes
- (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (iv) monitoring and reporting mechanism for the projects or programmes; and

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

#### **IMPLEMENTATION**

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Maxop will implement CSR Programmes through Company personnel or through external implementing agencies or through **SAARTHI** (and other Registered Trusts / Society or a Section 8 Company that are established or that may be established by the Company. In such cases, the Company will specify the CSR Programmes which may be undertaken by those Trusts/Societies or Section 8 companies in accordance

with their objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memorandum and Articles of Association.

### **COMPOSITION OF CSR COMMITTEE**

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CSR committee shall consist of the following directors:

- Mr. Shailesh Arora, Managing Director
- Mr. Sumit Maheshwari, Director

The committee will formulate, recommend and oversee the Corporate Social Responsibility Policy of the Company which will be further approved by Board of Directors.

### **FUNCTIONS OF CSR COMMITTEE**

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Functions of CSR Committee include:

- (i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- (ii) Recommend and if necessary to approve, the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- (iii) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
  - a. the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
  - b. the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
  - c. the modalities of utilisation of funds and implementation schedules for the projects or programs;
  - d. monitoring and reporting mechanism for the projects or programs; and
  - e. details of need and impact assessment, if any, for the projects undertaken by the company;
- (iv) Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- (v) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- (vi) CFO or the person responsible for financial management shall certify to the effect.

## **MONITORING**

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The CSR Committee shall review the implementation of the CSR Programmes periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programmes.

## **REPORTING**

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The Board's Report of the Company to include an Annual Report on CSR containing particulars specified in the annexure to the rule pertaining to a financial year commencing from April 1, 2014.

## **DISCLOSURES**

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The contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website.