

Duncan Engineering Limited

Corporate Social Responsibility Policy

Introduction:

Duncan Engineering Limited(DEL) recognizes that an effective practice of Corporate Social Responsibility (CSR) is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, local communities and other organizations. The Board of Directors of the Company has laid down the following policy to meet the Corporate Social Responsibility.

Legal Framework:

This Corporate Social Responsibility (hereinafter referred to as 'CSR') Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

Purpose:

To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker section of the society and raise the country's human development index. The CSR Policy of DEL not only aims at investment and channelization of funds for Social activity but will also aim at integration of Business Processes with social activities.

Objective:

- To promote education & healthcare amongst poor and needy
- To promote gender equality
- To ensure environment sustainability for adopting the best ecological practices and encouraging conservation/judicious use of natural resources.
- To undertake proactive engagement with stakeholders to actively contribute to socio- economic development of periphery/ community in which it operates.
- To create business value base chain which is sustainable environmentally, socially and economically.

Scope:

All projects shall be identified in a participatory manner, in consultation with the target community and gauging their basic needs. The CSR focus area of DEL includes:

Education

- Formal and non-formal education for adult, underprivileged and differently abled.
- Merit scholarships and technical education for deserving students.
- Girl child education.
- Livelihood enhancement projects

Health care and family welfare

- Mobile clinics, doctors' visits
- General medical camps,
- Healthcare help to needy
- Reproductive and child health care,
- Supplementary nutrition I mid-day meal projects

- Safe drinking water, Sanitation
- Training for sports

Environmental safety

- Environment awareness program
- Maintaining quality of air and water
- Water harvesting promotion.
- Wildlife and animal welfare.
- Contribution to any relief fund set by the Govt. of India or State Governments.
- Any other activity or cause identified as priority for CSR activities by the Govt. of India or the State Governments.
- Any activity that may be prescribed as CSR activity as per the Rules of Companies Act 2013

Execution & Governance:

After identification of the project based on the above objectives, the Company will spend on these activities directly or through own non-profit trust or outside registered and approved trusts. The Board of Directors will oversee the Compliance requirements and status of the implementation of the CSR activities from time to time. The Board shall formulate an Annual action plan in pursuance of its CSR policy.

CSR Committee:

Generally, on applicability of CSR provisions the Company shall constitute a Corporate Social Responsibility Committee of the Board. However, Sub-section (9) of Section 135 inserted by Companies (Amendment) Act, 2020 provides that where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee shall be discharged by the Board of Directors of such company.

Currently company's CSR spend is less than Rs. 50 Lacs, so there is no requirement to constitute a CSR Committee. If the need arises, the Company will constitute a CSR committee.

Budget allocation:

The budget will approve the annual budgeted CSR expenditure based on the average Net profits as prescribed under the Act.

CSR Expenditure:

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities as approved by the Board, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Unspent CSR Expenditure:

- Identified ongoing Projects:** In case the Company fails to spend the total CSR amount as on 31st March, such amount will be transferred to a special A/C called "Unspent CSR a/c" within 30 days of the FY i.e. 30 April and has to be spent within 3 FY's from date of transfer else the same is to be transferred to a yet to be specified Fund within 30 days from the end of 3rd FY.

- b. Unidentified projects:** If a Company has any spare amount as on 31st March, which is not tagged to an ongoing project that has to be identified & transferred within 6 months.

Exclusion from CSR activities:

- activities undertaken in pursuance of normal course of business of the company;
- 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 benefitting employees of the company;
- activities supported by the companies 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.

Certification & Reporting:

The Board's Report of the company shall include an annual report on CSR.

The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

Implementing Agency:

The Board shall ensure that the CSR activities are undertaken by the company itself or through –

- 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 (43 of 1961), established by the company, either singly or along with any other company, or
- 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
- any entity established under an Act of Parliament or a State legislature; or
- 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.

Display of CSR activities on website:

The Board of Directors of the company shall approve the CSR Policy for the company and disclose contents of such policy in its report and the same shall be displayed on the company's website. Projects approved by the Board shall also be displayed on the Company's website.

For and on behalf of Board of Directors

Akshat Goenka
Managing Director

Date of approval: 17.05.2022, Effective date:17.05.2022