

## **Hubtown Limited**

### **Corporate Social Responsibility Policy**

#### **Introduction:**

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ('CSR Rules'), including any amendment hereof requires the Company to constitute a Corporate Social Responsibility ('CSR') Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, Hubtown Limited ('the Company') has revised and adopted this Corporate Social Responsibility Policy.

#### **Background:**

Hubtown Limited, incorporated under Companies Act 1956 having CIN L45200MH1989PLC050688 engage in the business of construction and real estate sector. The Company is incorporated in the year 1989 with experienced Directors having four decades of experience in real estate and construction business.

The Company is conducting its business in a way that the Company achieves its business goals and objectives with a due consideration of community's economic, environmental and social aspirations and therefore commits to integrate Corporate Social Responsibility ('CSR') with its business processes.

#### **Title & Applicability:**

The Company has developed this policy titled 'Corporate Social Responsibility Policy' ('CSR Policy') encompassing the Company's philosophy for being a responsible corporate citizen and lays down the principles and mechanism for undertaking various programmes in accordance with Section 135 of the Companies Act, 2013 (the 'Act') read along with the rules and schedules framed therein for the Company at large.

The CSR Policy shall guide the CSR programme and activities undertaken by the Company in the geography/communities in which it operates.

**Definitions:**

In this CSR Policy, unless the context otherwise requires,

- “Act” means the Companies Act, 2013 and rules made thereunder (as amended from time to time);
- “Board” means the Board of Directors of the Company and will include any Committee of the Board;
- “Corporate Social Responsibility (CSR)” means and includes projects or programs relating to activities, areas or subject specified in Schedule VII to the Act as amended from time to time;
- “CSR Committee” shall mean the Committee of the Board constituted pursuant to Section 135 of the Act.

**CSR Vision Statement:**

The Company, through its CSR projects, will enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate Citizen.

The ultimate aim of the CSR projects will be to benefit the communities at large and over a period of time enhance the quality of life and economic well-being of the local populace.

**CSR Committee:**

The Board of Directors of the Company has constituted a Board Committee for CSR called as Corporate Social Responsibility (CSR) Committee.

Responsibilities of CSR Committee:

- Formulate and periodically update CSR Policy, to be submitted to the Board of Directors for approval.
- Developing the CSR strategy and operationalize institution all mechanisms
- Suggest areas of intervention and method of support
- Identify focus areas/activities that are in line with the CSR Policy
- Recommend the CSR expenditure to the Board for approval
- Meet at least twice a year to review the progress made and suggest corrective actions.
- Any other relevant matters/issues which need to be undertaken in accordance to CSR policy

## **Review and Display of CSR Policy:**

The Board of Directors shall review the CSR Policy at least once a year.

The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company respectively.

## **Objectives of CSR Policy:**

The objectives of CSR Policy of the Company are to:

- Build a framework of CSR activities with a philanthropic approach in line with business unit objectives, which also benefits the organization at large;
- Shape sustainability for the organization by 'Engaging the Community';
- Build a corporate brand through CSR; and
- For other stakeholders, make it "an integral part of the Company's DNA, so much so that it has to be an organic part of the business".

## **CSR Programme / Projects:**

The Company shall conduct its CSR activities as laid down in Schedule VII of the Companies Act, 2013 and as approved by the CSR Committee of the Company. These activities will in turn focus on established need, sustainability, and focused outcomes of the chosen sectoral themes. The Company shall seek to identify suitable programs/ projects/ activities as enumerated under Schedule VII of Companies Act, 2013, to ensure its contribution to the community and society at large.

The Company plans to focus its CSR initiatives and adopt a structured approach to the core areas of intervention undertaken across India, in line with the spread of its business & operations.

The following activities shall not form part of the CSR activities of the Company:

1. The activities undertaken in pursuance of normal course of business of a company.
2. Any activity undertaken outside India.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes under Section 182 of the Companies Act, 2013.
4. CSR projects/ programs or activities that benefit only the employees of the Company.
5. Activities supported by Companies on sponsorship basis for deriving marketing benefits for its services.
6. activities carried out for fulfilment of any other statutory obligations under any law in force in India;

**CSR Budget:**

The Company shall endeavor that funds to the tune of at least 2% of the average net profits of the Company during the immediately preceding three financial years is allocated towards the CSR programme/ projects as mentioned above. The CSR Committee will recommend the allocation of funds for each programme or project or activities for approval by the Board.

The Company may collaborate or pool resources with other organization or companies to undertake CSR activities in compliance with provisions of the Act.

**Implementation Process:**

- CSR programme/ projects to be undertaken by the Company will be identified by the CSR Committee;
- The CSR Committee shall recommend the CSR programme/ projects, specifying modalities of its execution and the amount of expenditure to be incurred on the programme/projects;
- Upon recommendations of the CSR Committee, the Board shall specifically approve such CSR projects/programs and the amount of expenditure;
- The Company may directly undertake the CSR activities as permitted under Schedule VII and approved by the CSR Committee or execute and implement CSR activities through any other Implementing Agency registered in India, having a valid CSR Registration Number granted by the Ministry of Corporate Affairs (MCA) and having track record of service, performance, governance, and accountability.
- The Company may engage the services of external expert agencies, consultancy firms etc for carrying out any survey, assessment or report with regards to any CSR programme/ projects to be undertaken by the Company;
- The CSR contribution would be for a project as identified by the Company, either for a single financial year or as an ongoing project for multi-years, depending on the scale and needs of the project.
- The disbursement of the contribution amount by the Company to the Implementing Agency shall be made only if they have a unique CSR registration number granted by the MCA and requisite approvals and registrations as required under the Income Tax Act, 1961 or other applicable laws in India;
- The disbursement will be made only upon receipt of a proposal from the Implementing Agency specifying the budget that is required, activity for which it is required and project outputs & outcomes, as may be required.

- Any surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company;
- The CSR Committee is authorized to settle all queries, differences or doubts that may arise in relation to the implementation of the CSR programme/projects as may be approved by the Board.

### **Monitoring:**

The Company shall be entitled to receive the following information (as applicable) from the Implementing Agencies in line with CSR guidelines issued by Ministry of Corporate Affairs (MCA) and as amended from time to time:

- A valid CSR Registration Number granted by the Ministry of Corporate Affairs (MCA);
- A valid Registration Certificate under Section 12A of the Income-tax Act;
- A valid Registration Certificate under Section 80G of the Income-tax Act;
- Proof to substantiate track record of 3 years in undertaking CSR activities.

To ensure steady progress and proper utilization of CSR amount, the following monitoring mechanism may be adopted:

- The Board shall satisfy itself that the funds so disbursed have been utilized for the purpose and in the manners approved by it.
- The Chief Financial Officer of the Company or any other person responsible for financial management shall certify the utilization of funds disbursed for CSR projects.
- In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved time lines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

### **REPORTING**

The CSR Committee shall report to the Board of Directors of the Company, the status of the CSR projects/ undertaken by the Company in the Annexure to the Directors' Report, in the Company's Annual Report.

The Company shall upload this Policy, and all other information as statutorily required on its Website.

### **GENERAL**

Any amendment or modification to the CSR policy shall be approved by the Board on the recommendation of the CSR Committee.