

CORPORATE SOCIAL RESPONSIBILITY POLICY

RADIANT HEAT EXCHANGER PRIVATE LIMITED

Version No.	1
Authorized by	The Board of Directors

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I. DEFINITION

- a. "Act" means the Companies Act, 2013 (18 of 2013) and rules made thereunder;
- b. "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

- c. “Corporate Social Responsibility (CSR)” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-
- 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 as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - 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;
- d. CSR Obligation- CSR obligation means minimum CSR expenditure required to be spend as per the Act during the financial year.
- e. “On-going Project” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
- f. “Public Authority” means ‘Public Authority’ as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);

II. CONTEXT

This CSR Policy encompasses **RADIANT HEAT EXCHANGER PRIVATE LIMITED’s** philosophy for social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities.

III. EFFECTIVE DATE

The New Policy is effective from 11th August, 2023.

IV. VISION STATEMENT AND OBJECTIVE

1. The CSR Policy sets out **RADIANT HEAT EXCHANGER PRIVATE LIMITED’s** commitment towards ensuring that our activities extend beyond business and include

initiatives and endeavors for the benefit and development of the community and society. The CSR Policy lays down guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, we propose to adopt the CSR Activities mentioned below.

2. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act 2013 and the rules issued thereunder.
3. The objective of this CSR Policy is to:
 - (i) Outline projects, programs and activities to be undertaken by **RADIANT HEAT EXCHANGER PRIVATE LIMITED**;
 - (ii) Specify the modalities of execution of such projects, programs and activities;
 - (iii) Monitor the process to be followed for such projects, programs and activities;
 - (iv) Directly or indirectly take up programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
 - (v) Generate community goodwill for **RADIANT HEAT EXCHANGER PRIVATE LIMITED** and help reinforce a positive and socially responsible image, through our CSR Activities.

V. CSR COMMITTEE

Pursuant to Section 139 (9) of the Companies Act, 2013, the obligation of constitution of CSR Committee by the Board shall come into force only if the CSR Obligation exceeds INR-50 Lakhs. The Board may dissolve CSR committee if the Company's CSR Obligation goes below INR-50 Lakhs. However, the Board of Directors may voluntarily or mandatorily constitute CSR committee and committee shall be comprises of two Directors or more of the Board or such other members as may be decided by the Board. Unless of CSR Committee, all the functions as enumerated in Section 135 along with CSR policy shall be discharged by the Board of Directors of the Company. In case of CSR Committee, all functions shall be discharged by the CSR Committee based on the recommendation made by the Committee and approved by the Board of Directors.

VI. RESPONSIBILITIES OF THE CSR COMMITTEE

The CSR Committee shall be responsible for:

- (i) Formulating the CSR Policy, including the CSR Activities and their budgets as well as any subsequent change/ modification to the CSR Policy;
- (ii) Institute an implementation and monitoring mechanism for CSR Activities;

- (iii) Periodically updating the Board on the progress being made in the planned CSR Activities;
- (iv) CFO or the person responsible for financial management shall certify to the Board that the funds so disbursed have been utilized for the purposes and in the manner approved by it.

VII. PROJECTS, PROGRAMS AND ACTIVITIES

In accordance with the requirements under the Companies Act, 2013, **RADIANT HEAT EXCHANGERPRIVATE LIMITED's** CSR activities, among others, will include:

- (i) Eradicating extreme hunger and poverty
- (ii) Promotion of education
- (iii) Promoting gender equality and empowering women
- (iv) Reducing child mortality and improving maternal health
- (v) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
- (vi) Ensuring environmental sustainability
- (vii) Employment enhancing vocational skills
- (viii) Social business projects
- (ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- (x) All other areas as specified under the Schedule VII of the Companies Act, 2013

The Company can pursue CSR activities directly or through implementing agencies. The Company shall carry CSR activities through implementing agencies in compliance with rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

VIII. LOCATION OF CSR ACTIVITIES

The Board of Directors or CSR committee as the case may be will decide on the locations for CSR activities to be undertaken. To the extent possible, shall give priority to the local areas wherever **RADIANT HEAT EXCHANGERPRIVATE LIMITED** has its operations.

IX. ANNUAL ACTION PLAN

The CSR committee shall formulate and recommend to the Board Annual Action Plan which shall include

1. List of CSR projects or programmes that are approved to be undertaken
2. Manner of execution
3. Monitoring and reporting mechanism
4. Details of need and impact assessment

The plan can be altered during the Financial Year with justification.

X. CSR EXPENDITURE AND ALLOCATION

- The minimum CSR spend by **RADIANT HEAT EXCHANGERPRIVATE LIMITED** shall be as per the requirements of the Act. **RADIANT HEAT EXCHANGERPRIVATE LIMITED** may in compliance with the provisions of the Act and the CSR Rules, including notifications and clarifications issued thereunder may spend higher amount than minimum required amount.
- The CSR committee will decide allocation of CSR expenditure within different CSR activities from time to time and recommend to the Board for approval.
- Any surplus arising out of the CSR projects/programs or activities shall not form part of the business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities
 - (ii) the Board of the company shall pass a resolution to that effect.
- The Board shall ensure that the administrative overheads shall not exceed five percent of the total CSR expenditure of the Company for the financial year.
- The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by -
 - (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and having CSR Registration Number or
 - (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - (c) a public authority:

Provided that any capital asset created by a company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

XI. UNSPENT CSR AMOUNT

In case of an ongoing project	In other cases
1. Transfer the unspent CSR amount to a special account (Unspent CSR Account) within 30 days from the end of financial year	Transfer the unspent amounts to the Fund specified under Schedule VII within 6 months after the expiry of the financial year.
2. Amount in Unspent CSR amount shall be spent towards the CSR Policy within a period of three financial years from the date of such transfer.	Until a Fund is specified under Schedule VII, amount shall be transferred to any fund included in Schedule VII of the Act.
3. On failing, company shall transfer the amount to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of 3rd financial year.	Funds covered in Schedule VII: Swachh Bharat Kosh; Clean Ganga Fund; PM National Relief Fund; PM CARES Fund; Other fund set up by the Central Government for socio-economic development.

XII. MONITORING MECHANISM

1. To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy, the progress of each such project, programme and activity will be reported to the Board of Directors/CSR Committee on a monthly/quarterly basis, with all requisite documentation.
2. The Board of Directors or the CSR Committee, if any shall undertake impact assessment, through an independent agency only if the CSR Obligation exceeds INR Ten Crores or more.
3. The Board of Directors or the CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

XIII. ANNUAL REPORT ON CSR

Annual report on CSR activities will be prepared and signed in the manner as prescribed under the Act and annexed to the Board of Directors report prepared for the financial year.

X. AMENDMENT

The CSR Committee is empowered to amend or modify the CSR Policy and such changes shall be placed before the Board for its approval. The Board may subject to compliance with applicable law, at any time approve or alter, amend or modify the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.