



CORPORATE SOCIAL RESPONSIBILITY POLICY

[Adopted by the Board on 01/07/2024]

HIGHWAY INFRASTRUCTURE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY OF HIGHWAY INFRASTRUCTURE LIMITED

The Companies Act, 2013 (“the Act”) and rules made thereunder provides the broad legal framework of Corporate Social Responsibility. Section 135 of the Act requires an eligible Company to ensure spending in every financial year, at least two percent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

1. Objectives:

The main objective of the Policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development, making a positive impact on society, and enhancing the Company’s image as a credible and reliable business partner for suppliers, customers and society at large.

The key purpose of the Policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals;
- Define the kind of projects that will come under the ambit of CSR;
- Identify broad areas in which the Company will undertake CSR activities;
- Provide guiding principles for the selection, implementation, and monitoring of CSR activities as well as formulation of annual action plans.

The CSR policy will enable the Company:

- to undertake/promote directly or indirectly activities/projects/programs that benefit the society;
- to help fulfill social responsibilities;
- to maintain an eco-friendly and harmonious environment;
- for social development including education, skill building, health, and social welfare.

The Company’s CSR activities will not relate to

- (i) the business of the Company and
- (ii) welfare/benefits only to its employees and their families

2. Scope/areas of CSR Activities:

The Company shall undertake its CSR activities in the following areas as specified in Schedule VII of the Companies Act, 2013:

- 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.
- promoting education, including special education and employment enhancing vocation skills, especially among children, women, the elderly, and the differently abled, and livelihood enhancement projects.

- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centers, and other facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward groups.
- 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.
- 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.
- 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.
- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.
- 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 government for socioeconomic development and relief and welfare of the scheduled caste, tribes, other backward classes, minorities, and women.
- 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.
- 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 Defence 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).
- rural development projects.
- 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.
- disaster management, including relief, rehabilitation, and reconstruction activities.

The activities mentioned above are to be interpreted liberally to capture the essence of the same.

The Company may undertake any other activity apart from the above, if the same as specified in Schedule VII of the Companies Act, 2013, for the time being in force. The Company may also undertake any other activity apart from the above as specified or directed by the

government from time to time. The Company shall give preference to local area and areas around the Company where it operates for spending the amount earmarked for CSR. However, the Company shall never undertake an activity, which is not allowed for CSR activities under the Act or rules made thereunder.

The Board of Directors of the Company may decide to undertake CSR activities as recommended by the CSR Committee either by the Company itself or through a registered trust, registered society, section 8 company, or entity as specified and in compliance with the provisions of the Act and rules made thereunder.

3. CSR Committee:

CSR Committee means Corporate Social Responsibility Committee constituted by the Board of Directors as per the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, for the time being in force. The CSR Committee shall:

- 1) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- 2) recommend the amount of expenditure to be incurred on various CSR activities in a financial year;
- 3) monitor the Corporate Social Responsibility Policy of the Company from time to time;
- 4) formulate and recommend an annual action plan for CSR projects/ programs/ activities;
- 5) decide on any other matter/thing as may be considered expedient in furtherance of and to comply with the CSR Policy of the Company.

The Committee shall meet at least once every 6 (six) calendar months or as often as circumstances require.

4. Composition:

1. The Committee shall comprise a of minimum three directors including at least one Independent Director.
2. The Chairperson of the Committee shall be a Non-Executive Director, from among the members of the Committee.
3. The Company Secretary of the Company shall act as the secretary to the Committee.

5. Meetings and Quorum

1. The Committee must establish an Annual Work Plan (“AWP”) for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The AWP must ensure proper coverage of the matters laid out in the Charter.
2. The Committee shall meet as often as needed to discuss the matters in accordance with the AWP, at least 2 times during the year the Committee at its discretion shall invite Directors or such executives to be present at the meetings of the Committee.
3. A detailed agenda, together with supporting notes and documents, should be circulated, at least 7 days prior to each meeting to the members of the Committee and other invitees, except such information or documents on items of business which are in the nature of Unpublished Price Sensitive Information can be tabled at the meeting.

4. The minutes of each meeting must be recorded, circulated to the members of the Committee, and approved either before or at the next Committee meeting.
5. The quorum for the meetings of the Committee shall be two members.

6. Implementation and monitoring:

- The specific CSR activities proposed to be undertaken by the Company shall be identified and recommended by the Committee.
- The CSR Committee shall formulate and recommend an annual action plan in pursuance of the Policy providing such details as prescribed in the Act and rules made thereunder.
- The Board of Directors may decide to undertake CSR activities as recommended by the CSR Committee either by the Company itself or through a registered trust, registered society, section 8 company, or entity as specified and in compliance with the provisions of the Act and rules made thereunder.
- The Company shall have the right to ask the said trust/society/section 8 company/ entity to provide requisite details to show that the contribution made by the Company has been spent on the earmarked activities/programs/projects.
- The CSR Committee shall monitor transparently the progress of the CSR activities/projects/programs undertaken by the Company.
- The Board shall satisfy itself that the funds so disbursed have been utilized 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.
- In case of an ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines 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 as provided in the Act and rules made thereunder.

7. Budget:

The CSR budget of the Company shall be fixed for each financial year on recommendation of the CSR Committee and approval by the Board, taking into consideration the limit prescribed under the Act, from time to time.

Any unspent/unutilized amount out of approved CSR allocated fund of a particular year will be dealt as per the provisions of Section 135 of the Act and rules made thereunder.

In case the Company spend an amount in excess of required amount, such excess amount may be set off as provided under Section 135 of the Act and rules made thereunder.

8. Surplus of CSR Activities:

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be dealt as per the provisions of Section 135 of the Act and rules made thereunder.

9. CSR Reporting:

1. The Committee will periodically report to the Board on various matters that it has considered.
2. The Annual Report of the Company shall disclose the composition of this Committee (including names of members and Chairperson), a brief description of the scope of the

Committee Charter, the number of meetings held in a financial year, and attendance of the members/chairperson of the Committee.

10. Disclosures:

The composition of the CSR Committee, the Policy, the project approved for CSR activities and such other details as may be prescribed under the Act and rules made thereunder will be disclosed on the website of the Company.

11. Interpretation:

If under any circumstances where the terms of this Policy differ from any existing or newly enacted law, rule, regulation, or standard governing the CSR of the Company, the law, rule, regulation or standard will take precedence over this Policy until such time this Policy is changed to conform to such applicable law, rule, regulation or standard.

12. Amendment:

This Policy shall be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in law or as may be felt appropriate by the Board. Any changes/amendments/modifications in the Policy will be in writing and approved by the Board of Directors of the Company.