



## **Corporate Social Responsibility Policy**

*[Effective Date: 29.06.2022 Last Amended Date: 10.05.2025]*

### **1. PREFACE**

High Energy Batteries (India) Limited is a public limited company and a listed entity committed to good degree of corporate governance. It has adopted policies on vision, mission and values in strong adherence to the principles of corporate governance.

The company is engaged in energy sector and manufacturers of high tech batteries primarily for Indian defense sectors, situated in Mathur the border area of Pudukkottai district, Tamil Nadu a rural undeveloped area. It has a very high rural environment and needs contribution from the industries situated in the small industrial area. It provides rural employment to the best of their requirement.

### **2. PURPOSE**

The policy outlines the company's philosophy as a responsible corporate citizen of India. It lays down the guidelines and mechanism for undertaking CSR Activities that aims at:

- Undertaking social projects in villages around the factory site.
- Undertaking projects in the neighborhood in the areas of healthcare, education, sanitary and vocational training.
- Awareness creation and promotion of 'Clean India' Mission.
- Planting trees for enhancing environmental development.
- Contribution to Central and State Projects and Funds meeting CSR criterion.

- Collaborating with and/or supplementing the schemes of district authorities, local panchayats and rural health centers in the areas of health, education and rural development.
- The Company may pursue other avenues as enacted by Schedule VII of the Companies Act, 2013.

### 3. **APPLICABILITY**

This policy is applicable based on the criteria administered by Section 135 of the Companies Act, 2013 which are as follows:

- Every company having **net worth** of Rupees **Five Hundred Crore or more**, or
- **Turnover** of Rupees **One Thousand Crore** or more or
- **Net profit** of Rupees **Five Crore** or more

During the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The Company shall ensure that it spends, in every financial year, at least **two per cent** of the **average net profits of the company** made during the three immediately preceding financial years.

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

### 4. **DEFINITION**

This policy is administered under Section 135 read with The Companies (Corporate Social Responsibility) Rules, 2014 and Rule 2 contains all the salient definitions.

### 5. **OBJECTIVES**

The company main objective is to bring the industrial climate to rural front and provide employment and other infrastructural provision because of the startup industries. Even though there was no statutory obligation at the time of starting industry, the company provided:

- Support for the schools nearby.
- Organize health camps with the collaboration of known hospitals.
- Contribution to specific funds like Prime minister Relief fund and Chief Minister Relief Fund.

## **6. POLICY DETAILS & PROCEDURES**

### **6.1. CSR VISION AND GUIDING PRINCIPLES**

- To work for the welfare and sustainable development of the community in and around its areas of operation.
- The company will observe in letter and spirit the cardinal principles and underlying objectives of the Government in prescribing CSR and for this purpose strive at all times to design CSR Programs within the 'broad scope of the activities listed under Schedule - VII to the Companies Act, 2013 as amended from time to time.
- The company shall endeavor to adopt best practices and integrate them into its CSR activities.

### **6.2. CSR MANDATE**

- Section 135 of the Companies Act, 2013 (the act) mandates CSR on specified companies. CSR Mandate applies to the Company from the FY 2020 - 21.
- The Company is committed to diligently comply with relevant provisions of the Act the Rules made thereunder and Guidance given by Government on CSR.

### **6.3. PROGRAM AREAS**

The Company will focus primarily on the following programmes to be conceived and implemented in its rural neighborhood.

- Community development
- Healthcare, Sanitation and safe drinking water

- Education including skill development for empowerment of women & others
- Rural development and transformation
- Environment sustainability and climate change
- Disaster management

The company would preferably engage directly with the CSR activities. It may also consider implementing one or more CSR Programs through a registered trust, society or a company registered under Section 8 of the Companies Act, 2013 that conform to and meet with the eligibility criteria.

#### **6.4. CSR BUDGET**

- The CSR Budget and actual expenditure in a financial year shall be not less than the amount mandated under Section 135 of the Act read with Rules.
- The Board shall ensure that the Company strictly adheres to the mandate of the Act and Rules in the matter of CSR spending, dealing with CSR surplus (that shall not form part of the business profit of the Company), transferring unspent amount to designated Bank account / Fund, carry forward of excess CSR spent to set-off in later years.

#### **6.5. IMPLEMENTATION**

- All CSR projects will be implemented in a time bound manner with clear objective, plan, target, and monitoring and evaluation mechanism.

Sl. No.	Program Area	Mode of Implementation
1	Community development	To work directly for improving road connectivity and partner with expert agencies and local administrators to achieve community development goals in local area.
2	Healthcare, Sanitation and safe drinking water	To work directly and/or partner with medical and health related organizations for projects in preventive health care, short term & long-term care and treatments and rainwater harvesting arrangement.

3	Education including skill development for empowerment of women and others	To work directly for providing primary education for the children of rural area, strengthening the infrastructure in government schools in local area.
4	Rural development and transformation	To work directly or through local bodies/ village associations for supporting irrigation infrastructure in rural area and strengthening rural infrastructure.
5	Environment sustainability and climate change	To work diligently for safeguarding the environment as well as promoting resource efficiencies across energy, water and waste management.
6	Disaster Management	Contribution to the Funds prescribed under Schedule VII of the Act.

#### **6.6. PROJECT MONITORING AND REPORTING**

- The Company formed the CSR Committee on 29<sup>th</sup> April 2023. CSR Committee will review the CSR activities every half year. The internal management will review the progress on a quarterly basis.
- The company will put in place appropriate accounting system to track project-wise CSR spend.
- The Board's Report shall include an annual report on CSR containing particulars as per format specified in the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- The Board shall satisfy itself that the CSR Funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify the same.
- Provided further that if the company fails to spend such amount, the Board shall, in its report made under section 134(3)(o) of the Act, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in

section 135(6) of the Act, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

#### **6.7. IMPACT ASSESSMENT**

When the company has an average CSR obligation of Rs.10 crores or more, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of the CSR projects having outlays of Rs.1 crore or more, and which have been completed not less than one year before undertaking the impact study.

Further, such impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR. The expenditure for such impact assessment can be accounted under CSR for that financial year, which shall not exceed 2% of the total CSR expenditure for that financial year or Rs.50 lakhs, whichever is higher.

#### **6.8. DISCLOSURE**

- The company will place the CSR policy on its official website. All changes in the CSR policy will be uploaded within 24 hours of the change.
- The company will disclose the contents of CSR policy in its report to shareholders. It will also specifically explain the reasons for not spending the minimum threshold amount in any financial year for any reason.

#### **7. REVIEW AND AMENDMENT**

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the statutory provisions and remains effective. This Policy shall be reviewed periodically and may be amended by the Board, as may be deemed necessary. On any amendment of the Policy, the same will be published on the Company's website.

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