

TECNIMONT PRIVATE LIMITED

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CORPORATE SOCIAL RESPONSIBILITY POLICY

4.0	25.06.2025	Board of Directors
3.0	17.12.2020	Board of Directors
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INFORMATION ABOUT THE COMPANY

BACKGROUND

Tecnimont Private Limited (“the Company”) is incorporated on 9th July 1958 as a limited liability company under the Companies Act, 1956 and is engaged in the business of Design, Engineering, Procurement, Project Management, Construction and Commissioning of an Industrial Plant.

The Registered Office of the Company is situated at Tecnimont House, Chincholi Bunder, 504, Link Road, Malad (West), Mumbai – 400064, India.

The Company, an integral part of the MAIRE Group, is a premier Engineering, Procurement and Construction (EPC) Company having varied capabilities and vast experience to execute large and complex projects worldwide on Lump-sum turnkey (LSTK) basis.

The Company caters to a wide spectrum of business sectors that mainly includes Oil & Gas, Petrochemicals and Fertilizers and competences in Power Generation and Infrastructure, from concept to commissioning with over 6 decades of experience in multi discipline engineering services.

SECTION 1

Introduction

Corporate Social Responsibility (CSR) is a Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company recognizes the greater role industry plays in the development of a country like India where large sections of society suffer from severe economic and social disadvantages.

By virtue of its nature of business, the Company may operate at areas where the communities are disadvantaged and distinct from mainstream development process. These areas often stand out low on development indicators and lack basic infrastructure for essentials like healthcare, education or livelihood. The Company aims to contribute to the improvement of socio-economic development indicators in such areas with initiatives in health, education, livelihood and women empowerment. Moreover, the policy here below defined will be in line with the MAIRE Group strategy on sustainability and CSR and it will be developed as an integral part of Corporate Sustainability approaches.

Aims and objectives

This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and other rules, regulations, circulars, and notifications as amended from time to time and as may be applicable to the Company. It aims specifically at:

- Establishing a guideline for compliance with the provisions of the regulations to dedicate a percentage of Company's profits for CSR activities.
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

So that the object of this Policy is to lay down a comprehensive framework in which the Company proposes to carry out its CSR activities with an objective to achieve, consolidate and strengthen Good Corporate Governance including socially and environmentally responsible business practices that balance financial profit with social wellbeing.

This CSR Policy shall be operated and administered by the CSR Committee in line with the framework laid down by the Board of Directors and the applicable guidelines prescribed under the Act and the Rules.

The Board of Directors of the Company is authorized to interpret this Policy, to establish, amend and rescind any clauses relating to this Policy, and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Policy. The Board of Directors may correct any defect, omission or reconcile any inconsistency in this Policy in the manner and to the extent it deems necessary or desirable. The decision of the Board of Directors in the interpretation and administration of this Policy, as described herein, shall be final and conclusive.

SECTION 2

DEFINITIONS & INTERPRETATION

Definition

Unless the context otherwise requires, the terms defined in this Policy, including their grammatical variations or cognate expressions shall have the meaning herein specified and the terms not defined in this Scheme shall have the respective meaning ascribed to such terms in the Companies Act, 2013 as amended from time to time and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, as the case may be:

1. **Act** means the Companies Act, 2013.
2. **Associate Company** in relation to the Company means a company in which the Company has a significant influence by virtue of control of at least 20% of the total share capital or of a business decisions under an agreement, which is not a subsidiary company of the Company and includes a joint venture company.
3. **Board / Board of Directors** mean the Board of Directors of the Company for the time being and re-constituted and/or re-structured from time to time during the existence of this Policy.
4. **Company** means "**Tecnimont Private Limited**", incorporated in India under the provisions of the Companies Act, 1956 and having its registered office at Tecnimont House, Chincholi Bunder, 504, Link Road, Malad (West), Mumbai – 400 064, India
5. **Corporate Social Responsibility (CSR)** means activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act and the Rules and includes projects or programs relating to activities specified in Schedule VII of the Act which shall be undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee.
6. **Corporate Social Responsibility (CSR) Committee** means the Corporate Social Responsibility Committee of the Board of Directors of the Company constituted in accordance with the Act, which shall be responsible for operating and administering this Policy.
7. **Director(s)** means a member of the Board of the Company.
8. **Financial Year** in relation to the Company means the period ending on the 31st day of March every year.
9. **Holding Company** means a holding company of the Company as defined under the Act.
10. **Implementing Agency** means and includes a registered trust, society, company undertaking CSR Programs or Projects relating to activities specified in the Schedule VII of the Act.
11. **Net Profit** means the Net Profit of a Company as per its financial statements prepared in accordance with the applicable provisions of the Act, but shall not include the following namely;
 - i. Any profit arising from any overseas branch or branches of the Company
 - ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act
12. **Ongoing Project** means a multiyear 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.

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13. **Program** refers to a sector or an issue that the Company proposes to address through its CSR projects and activities.
14. **Project** refers to a set of interventions with a definite set of goals, beginning and end and a budget related to it. Each project will consist in a number of activities.
15. **Rules** means the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereof.
16. **Subsidiary Company** means a subsidiary company of the Company as defined under the Act.

The definitions as given in this Section are for the purposes of interpretation of this Policy only and should not be used for any other purpose.

Interpretations

In this Policy, unless otherwise stated or a contrary intention appears:

- a) Words in the singular includes the plural and vice versa.
- b) Any word or expression importing a gender includes any other gender.

Section Headings

The section headings are for the sake of convenience and information only and shall not affect the construction of this document and shall not be interpreted to restrict or otherwise affect the meaning or import of the terms / clauses of this Policy, which shall be interpreted solely in light of the contents thereof.

References

- a) A reference to a clause, respectively, is a reference to a clause of this document.
- b) A reference to a clause number is a reference to its sub clauses; and
- c) Reference to any Act, Rules, Regulations, Statutes, Notifications, Circulars or Press Notes shall include any statutory modification, substitution or re-enactment thereof.

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SECTION 3

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Constitution and Composition

The Board of Directors of the Company constituted a “Corporate Social Responsibility Committee” consisting of three Directors

The quorum required for the meeting of the CSR Committee shall be at least two Directors.

The Company Secretary of the Company shall act as a Secretary of the CSR Committee.

A representative of Group Institutional Relations, Communication & Sustainability, designated by the Holding Company of the Company shall be a permanent invitee to all the meetings of the CSR Committee.

Roles and responsibilities

The CSR Committee shall be responsible for overseeing the planning, coordination and implementation of CSR activities including compilation of information and disclosure requirements under the Act and rules made there under.

The roles and responsibilities of CSR Committee shall be;

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act as amended from time to time;
- b) To formulate and recommend to the Board an annual action plan in pursuance of the CSR Policy;
- c) To recommend the amount of expenditure to be incurred on the CSR activities;
- d) To monitor the Corporate Social Responsibility Policy of the Company from time to time;
- e) To ensure that CSR activities is being carried out giving preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities
- f) To institute a transparent monitoring mechanism of the CSR Projects or Programs or activities proposed to be undertaken by the Company;
- g) To co-ordinate necessary audits and other compliances of all the CSR activities through the engagement of implementing agencies and/or experts so engaged;
- h) To perform such other roles, duties as may be assigned by the Board of Directors of the Company from time to time.

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SECTION 4

BOARD OF DIRECTORS' RESPONSIBILITY

- a) Appoint the CSR Committee
- b) Approve the CSR Policy and the CSR expenditure after taking into consideration the recommendations made by the CSR Committee, subject to necessary changes/modifications as the Board may deem fit.
- c) To approve the annual action plan on CSR for each Financial Year as recommended by the CSR Committee. The Board may alter such plan at any time during the Financial Year, as per the recommendations of the CSR Committee based on the reasonable justification to that effect.
- d) Ensure the CSR spending every financial year as may be prescribed in the Act and the Rules from time to time .
- e) Ensure that CSR expenditure approved for the Ongoing Project and remain unspent at the end of the Financial Year, shall be transferred to the Corporate Social Responsibility Account opened in the name of the Company within 30 days from the end of the concerned Financial Year.
- f) Ensure that the funds disbursed for the CSR activities have been utilised for the purposes and in the manner as approved by the Board and the Chief Financial Officer or the person responsible for financial management shall certify to that effect.
- g) Ensure that CSR activities included in the CSR Policy are undertaken and that such activities are related to the activities specified in Schedule VII of the Companies Act.
- h) Disclose:
 - a. Contents of the CSR Policy and Composition of the CSR Committee;
 - b. An annual report on the CSR in the prescribed format ;
 - c. Reasons for failure (if any) to spend required amount on CSR activities.
 - d. Such other details or information as may be required from time to time under the Act and the Rules.

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SECTION 5

CSR EXPENDITURE

- i. The Board of Directors of the Company shall approve the CSR Budget which shall be at least 2% of the average Net Profits of the Company made during the three immediately preceding financial years. In case of Net Profit calculated in accordance with provisions of the Act is negative, the Board of Directors of the Company has the liberty to decide not to spend on CSR activities for the concerned Financial Year.
- ii. The Board shall ensure that the administrative overheads shall not exceed five (5) percent of total CSR expenditure of the company for the financial year.
- iii. Contribution of any amount directly or indirectly to any Political Party shall not be considered as a CSR Activity.
- iv. Any surplus arising out of the CSR programs or project activities shall not form part of the business profit 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.

SECTION 6**CSR PROJECTS AND ACTIVITIES****6.1 SCOPE**

The Company shall be undertaking projects in accordance with this Policy and as identified and recommended by CSR Committee to the Board for each Financial Year and accordingly to the CSR guidelines defined at Corporate level (MAIRE Group) which will be focused on empowering communities as a whole with special attention to the most disadvantaged social groups, promoting education and awareness initiatives and fostering sustainability culture and practices.

The CSR programs, projects or activities that benefit only the Employees of the Company and their families shall not be considered as CSR activities.

All the activities foreseen in a CSR project will be undertaken in India with specific preference to the immediate surroundings of the area in which the Company operates its business or in the district, town or city as a whole where the Company carries on its business operations, addressing social needs of adjacent communities

In the implementation of CSR activities, the Company promotes the active participation of its employees on a voluntary basis depending on logistic and organizational features and conditions of the projects.

6.2 PLANNING

A list of CSR projects which the Company plans to undertake during the implementation year will be laid down before the CSR Committee at the beginning of each year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same as well as the reference to the geographic reach.

6.3 IMPLEMENTATION

On approval of allocation of CSR Budget by the Board, the CSR Committee may consider undertaking CSR activities through a registered public Trust or a registered Society or the company established under Section 8 of the Act i.e. having in its object the promotion of commerce, art, science, sports, education, research, social welfare, religion, charity, protection of environment and further intends to apply its profits, if any or other income in promoting these objects.

CSR Committee will identify suitable projects for implementation, in line with the objectives of the Company and requirements laid down under the Regulations and accordingly to the guidelines defined at Corporate level (MAIRE Group).

For undertaking CSR Activities through a registered public trust, registered society or Section 8 Company, the CSR Committee shall ensure that the concerned trust, society or company shall holding a valid unique CSR Registration Number issued by the Central Government of India and shall have an established track record of three (3) years in undertaking similar CSR Programs or Projects.

CSR Committee may also consider collaborating with other companies for undertaking projects or programs or CSR activities subject in such a manner that the CSR Committee is in a position to

report separately on such projects or programs to the Board and in the Annual Report on CSR activities.

CSR Committee is also authorised to hire an External Consultants for technical oversight, supervision and quality assurance, as well as for specific tasks such as documentation, training etc. to implement the CSR Projects or Program for and on behalf of the Company.

The implementing partners shall be chosen by the CSR Committee from time to time for implementing CSR activities for each financial year.

The Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per the CSR policy as well as for capacity building of the employees of the Company for CSR.

In case of 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 for smooth implementation of the project within the overall permissible time period.

SECTION 7**CSR PROJECTS REVIEW****7.1 MONITORING**

As and when required, CSR Committee will meet to review the progress of CSR Projects/ Activities as per agreed targets and timelines.

The implementing agencies engaged for undertaking CSR activities or projects may submit reports to CSR Committee during their engagement contract. At the end of the contract period, each implementing agencies would be required to submit a full project report along with statement of accounts and utilization certificate within 30 days from the date of completion of the project.

The Reports on activities/projects identified/implemented shall be submitted to the Board by CSR Committee. This progress report will be prepared with inputs from implementing agencies, External Consultants, if any.

7.2 REPORTING

At the end of each Financial Year, it shall be the responsibility of the CSR Committee to furnish the details of the CSR Projects / Activities undertaken on behalf of the Company to the Board of Directors of the Company in the form and contents as provided under the Act, the Rules and in accordance with this Policy which shall be signed by the Chairman of CSR Committee and CEO/Managing Director of the Company and shall further be suitably integrated into the Annual Report of the Company.

SECTION 8**EFFECTIVE DATE**

This Policy shall be deemed to have come into force with effect from 1st April 2014.