

HUGHES & HUGHES CHEM LIMITED

CORPORATE
SOCIAL
RESPONSIBILITY(CSR)
POLICY

TABLE OF CONTENTS

Sr. No.	Particulars	Page no.
1.	INTRODUCTION	3-4
2.	APPLICABILITY	4
3	OBJECTIVE OF CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY	5
4.	SCOPE OF CSR POLICY	5
5.	FOCUS AREA	5-6
6.	IMPLEMENTATION OF CSR POLICY	6
7.	CSR COMMITTEE	7
8.	CSR BUDGET AND MONITORING PROCESS	8
9.	REPORTING	8
10.	EFFECTIVE DATE	9
11.	CONTACT	9
12.	AMENDMENTS TO THE POLICY	9

➤ **INTRODUCTION**

Hughes and Hughes Chem Limited, having CIN: U24100DL1991PLC045290 ('the **Company**'), is a public limited company which was set up in 1991 with Technical and Financial Collaboration of Hughes and Hughes Ltd. of United Kingdom; a British company established in 1924 which is engaged in the production of several products.

The Company has its State-of-the-Art factory at Gurgaon and Jammu and markets its products through a two tiered model which involves a direct sales network and franchise based business associates.

The Company currently working in following areas: Bird Control, Bio-Toilets, Pest Control and Amenity Work and Mechanized Cleaning.

- a. **Bird Control:** Due to strong customer base, all India Marketing Network and established brand name the company is able to retain its No.1 position in the market as an Integrated Bird Management company in India with successful track record of more than two decades.
- b. **AMOC of Bio-Toilet:** Company is the leading AMOC Vendor of Bio-Toilets in India. Bio-Toilet issued extensively by Indian Railways in Coaches. Human waste disposal in innocuous form is an ever growing problem leading to aesthetic nuisance, threat of organic pollution & several infectious diseases in epidemic proportions in developing countries, like India.
- c. **Pest Control Services:** Company provide Comprehensive Pest Controls Treatments against Mosquitoes, Cockroaches, Rodents, Termites, and Birds and even Snakes utilizing our revolutionary and patented products which have been either developed in house or hand-picked by experts from all over the world. This team is lead by the experienced entomologists & ornithologists, trained at the best institutes in India and abroad and have over five decades of experience in this field. Company is executing Service Contracts of Projects for Pest Control Services to Indian Railways.
- d. **Production Unit:** Your Company has been issued fabrication and specialized contracts in Production Units and Workshops which are integral in the manufacturing and rehabilitation process.

Your Company is executing Service Contracts of Projects for Integral Coach Factory (ICF) to Indian Railways:

- i. Integration activities in body shell assembly JIG of different variant of LHB Shell at ICF/Chennai.
- ii. Assembly and welding of stand activities and finishing activities of different variants of LHB Shells at ICF/Chennai.
- iii. TIG Welding and Grinding of Frame Work on sidewall integration of sidewall with carline assembly and MIG Brazing .Assembly and TIG Welding of welding parts on sidewall for different variants of Shells at, ICF/ Chennai.
- iv. TIG welding and Grinding of Frame Work on sidewall integration of Sidewall with Carline Assembly and MIG Brazing, Assembly and TIG Welding of welding Parts on sidewall for different variants of LHB Coaches (Wet leasing) at ICF/Chennai.

- e. **Amenity Work and Mechanized Cleaning:** Indian Railways has also started outsourcing the work of Railway Amenities like Carpentry, Plumbing, Electrician and allied services. Company has also involved in this service sector for providing valuable services to the Indian Railway. The Company is also executing Service Contracts of Mechanized Cleaning to Indian Railways at various locations.
- f. **ETP Plants:** Indian Railways was recently audited by National Green Tribunal. One of the major red flags for compliance of National Green Tribunal's audit was issuance of guidelines for proper waste management system to be in place at various Indian Railway Installations. The Company has completed works at various locations.
- g. **Electro Pneumatic Flushing Systems and Allied Activities:** In an effort to reduce the water use in Trains, the Indian Railways has decided to install Electro Pneumatic Flushing Systems in all their Non-AC LHB Coaches. The company has developed a prototype of the same in collaboration with Metal Works India Pvt. Ltd. Metal Work India Pvt. Ltd. is a fully owned subsidiary of Metal Work SpA Italy which is a global leader in pneumatic products.

➤ **APPLICABILITY**

Corporate Social Responsibility Policy (CSR Policy) has been recommended by the CSR Committee and adopted by the Board of Directors at its meeting held on 21/08/2023. This Policy shall be applicable w.e.f. 21/08/2023.

➤ **OBJECTIVES OF THE CSR POLICY**

This policy is applicable to Hughes and Hughes Chem Limited in India

The Company's CSR Policy intends to achieve sustainable development and inclusive growth for future generations. The CSR Policy of the Company will undertake the activities as mentioned in schedule VII of the Companies Act, 2013.

- To provide a neutral and credible platform to all stakeholders engaged in CSR best practices for capturing relevant issues to foster sustainable growth.
- To provide research, training, practice, capacity building, standard setting, advocacy, rating, monitoring, recognition and related support in the field of CSR.

➤ **SCOPE OF CSR POLICY**

The policy would pertain to all activities undertaken by the Company towards fulfilling its corporate social responsibility objectives. The policy would also ensure compliance with section 135 of the Companies Act, 2013 ("The Act") and would include the activities as covered under Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

➤ **FOCUS AREAS**

The Company will support programs and activities as mentioned under Schedule VII of the Companies Act, 2013 and also such other activities including but not limited to the following:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- iii. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv. 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.

- v. 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.
- vi. Measures for the benefit of armed force veterans, war widows and their dependents. Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- vii. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- viii. 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- ix. (a) 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; and

(b) 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 Defense 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).
- x. Rural development projects.
- xi. 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.
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.

➤ IMPLEMENTATION

In accordance with sub-section (1) of section 135 of the Companies Act 2013, the Company has set up a CSR committee to advise on the company's CSR policy, and monitor the CSR activities of the Company. All projects are identified as per needs of community.

- a) **Direct Engagement:** The Company to have a direct engagement strategy-most initiatives to be conceptualized and executed directly through a team of professionals.

- b) **Partnerships:** In addition to direct engagement, in specific cases, to partner with other organizations that have the technical expertise and experience to undertake various programs in the identified core focus areas of operation, to improve our outcomes.

➤ **CSR COMMITTEE**

The CSR Committee consists of the following Members:

1. Mr. Rajat Singhal, Managing Director: Chairman
2. Mr. Ankit Singhal, Managing Director: Member
3. Ms. Priyanka Sharma, Company Secretary: Member
4. Pradeep Kumar: Manager (Accounts and Finance)

➤ **Responsibilities of the CSR Committee**

The responsibilities of the CSR Committee includes:-

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subject specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

➤ **Meeting of the CSR Committee**

Committees shall meet as often as necessary subject to the minimum number and frequency prescribed by any law or any authority or as stipulated by the Board.

➤ **Quorum of the CSR Committee**

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

➤ **CSR BUDGET AND MONITORING PROCESS**

The CSR Committee will abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time (minimum 2% of the average of net profit made by the Company during immediately preceding three financial years as per Companies Act 2013).

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.

The CSR Committee shall ensure a transparent monitoring mechanism for CSR activities.

1. The CSR Committee shall review the progress of CSR activities as and when the Committee may deem fit.
2. The Board of Directors shall review the progress of CSR activities at least annually.

➤ **CSR EXPENDITURE**

- a) The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- b) Any surplus arising out of the CSR activities shall not form part of the business profit of a 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.
- c) 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 upto immediate succeeding three financial years' subject to the conditions that–
 - The excess amount available for set off shall not include the surplus arising out of the CSR activities,
 - The Board of the company shall pass a resolution to that effect.

➤ **REPORTING**

Significant CSR Activities and achievements will be reported as a part of the Board's Report and also as per any other statutory and regulatory reporting requirement(s).

➤ **DISPLAY OF CSR ACTIVITIES ON ITS WEBSITE**

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

➤ **EFFECTIVE DATE**

This policy shall be effective from 21/08/2023 on which it is approved by the Board of Directors meeting held on recommendation of the CSR Committee.

➤ **CONTACT**

For any queries related to CSR Policy, please write us at following Mail Ids:

- cmd@hugheschem.com
- md@hugheschem.com
- cs@hugheschem.com
- accounts@hugheschem.com

➤ **AMENDMENTS TO THE POLICY**

The Board of Directors may in their discretion and on recommendation of the CSR committee, make any changes/modifications and/or amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and of the Act or any other statutory enactments, rules, the provisions of such Act or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/ modified in due course to make it consistent with the law