

## **ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES**

### **Concept & Content**

Corporate Social Responsibility is a Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Corporate enterprises like The Hi-Tech Gears Limited are expected to conduct their business operations and activities in a socially responsible and sustainable manner at all times. We make decisions based not only on financial factors, but also considering the social and environmental consequences. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing education, skill development etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intent to make a positive contribution to the society in which the Company operates. The Company has developed and implemented a Policy pursuant to the provisions of Section 135 read with (Corporate Social Responsibility Policy) Rules 2014. The same is available at [http://www.hitechgears.com/images/Corporate\\_Social\\_Responsibility\\_policy.pdf](http://www.hitechgears.com/images/Corporate_Social_Responsibility_policy.pdf)

### **Annual Report on CSR Activities for the year 2014-15**

#### **Brief Outline**

CSR is a commitment by business to behave ethically and contribute to economic development and to improve the quality of life of local community and society at large. It includes ensuring environmental sustainability, promoting gender equality, education etc. Business entities can no longer limit themselves to using resources, to engage in activities that increase their profits. They have to be socially responsible corporate citizens and also contribute to the social good.

We have assumed the above requirement to act in socially diligent manner. We have explored its impact on the economic, social and environmental sector which directly affects the relationships with employees, society, environment and other stake holders.

**Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company's CSR policy has been uploaded in the website of the Company under the web-link: [http://www.hitechgears.com/images/Corporate\\_Social\\_Responsibility\\_policy.pdf](http://www.hitechgears.com/images/Corporate_Social_Responsibility_policy.pdf)

#### **Composition of the CSR Committee**

Mr. KC Verma, Chairman- Independent Director



Mr. Deep Kapuria, Member- Executive Director

Mr. Pranav Kapuria, Member- Executive Director

The Committee met twice during the year under review.

**Average net profit of the Company for the last three financial years**

Average net profit: Rs. 360,703,330/-

**Prescribed CSR expenditure (2% of the average net profit of the last three financial years)**

The Company during the financial year 2014-15 was required to spend Rs. 7,214,067/- towards CSR.

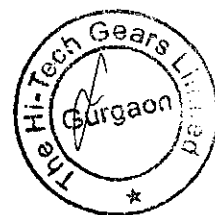
**Details of CSR spent during the financial year:**

a) Total amount spent for the financial year; Rs. 7,415,367

b) Amount unspent, if any; NIL

**Manner in which amount spent during the financial year is detailed below:**

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Locations (Unit)	Amount outlay project/programs wise (Rs)	Amount Spent on the project or programs (Rs)	Cumulative Expenditure upto reporting period (Rs)	Amount spent: Direct or through implementing agency
1	<b>Education, Technical Education Research &amp; Development-</b>	Promoting education, including special education and vocation skills.	Local Area i.e. Haryana & Delhi	6,500,000	6,372,600	6,372,600	Direct
2	<b>Health</b>	Promoting preventive health care and sanitation	Local Area i.e. Haryana & Delhi	850,000	821,767	7,194,367	Direct
3	<b>Disaster Management</b> Kashmir Flood (Prime Minister Relief Fund)	Contribution to Prime Minister's National Relief Fund	Delhi	100,000	100,000	7,294,367	Indirect
4	<b>Integrated Community Development</b> Prime Minister Relief Fund	Contribution to Prime Minister's National Relief Fund	Delhi	130,000	121,000	7,415,367	Direct



**Responsibility Statement by the Corporate Social Responsibility Committee:**

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

**Annual Report on CSR Activities for the year 2015-16**

**Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company's CSR policy has been uploaded in the website of the Company under the web-link: [http://www.hitechgears.com/images/Corporate\\_Social\\_Responsibility\\_policy.pdf](http://www.hitechgears.com/images/Corporate_Social_Responsibility_policy.pdf)

**Composition of the CSR Committee**

Mr. K.C. Verma, Chairman- Independent Director

Mr. Deep Kapuria, Member- Executive Director

Mr. Pranav Kapuria, Member- Executive Director

The Committee met ones during the year under review.

**Average net profit of the Company for the last three financial years**

Average net profit: Rs. 239,335,560/-

**Prescribed CSR expenditure (2% of the average net profit of the last three financial years)**

The Company during the financial year 2015-16 was required to spend Rs. 4,786,711/- towards CSR.

**Details of CSR spent during the financial year:**

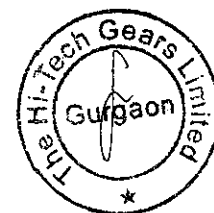
- a) Total amount spent for the financial year; Rs. 2,629,527/-
- b) Amount unspent, if any; Rs. 2,157,184/-

**Reason for less spent:**

During the financial year, the company focused on identifying a comprehensive approach for CSR contributions. As it did so, some adhoc investments were made with priority being given to integrity community development and education where approx INR 2 million was spent.

The company wanted to commit higher investments in line with or exceeding the suggested norms only after being clear about its strategic focus in chosen areas.

This exercise is underway and will complete shortly. Basis that, we are confident of being on track with our CSR contributions in line with the prescribed norms.”



**Manner in which amount spent during the financial year is detailed below:**

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Locations (Unit)	Amount outlay project/pr ograms wise (Rs)	Amount Spent on the project or programs (Rs)	Cumulative Expenditure upto reporting period (Rs)	Amount spent: Direct or through implementing agency
1	<b>Education, Technical Education including Research &amp; Development-</b>	Promoting education, including special education and vocation skills.	Local Area i.e. Haryana & Delhi	1,800,000	890,000	890,000	Direct
2	<b>Health</b>	Promoting preventive health care and sanitation	Local Area i.e. Haryana & Delhi	1,236,711	570,865	1,460,865	Direct
3	<b>Disaster Management</b>	Contribution to Tamil Nadu Flood thru CII	Delhi	350,000	100,000	1,560,865	Indirect
4	<b>Integrated Community Development</b>	Building of tube well, water harvesting & women development	Local Area i.e. Rajasthan & Delhi	1,400,000	1,068,662	2,629,527	Direct

**Responsibility Statement by the Corporate Social Responsibility Committee:**

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

