

CORPORATE SOCIAL RESPONSIBILITY POLICY

MUNGI ENGINEERS PRIVATE LIMITED (MEPL)

POL/CSR/MEPL/01 Rev.00 Dated 17/12/2025



1. PREAMBLE AND LEGAL FRAMEWORK

1.1 Commitment and Vision

Mungi Engineers Private Limited (MEPL) is committed to building sustainable communities by being a responsible corporate citizen. We strive to create sustainable value by focusing on high-impact initiatives in education, health, skill development, and environmental sustainability.

1.2 Applicability

This Policy is formulated and mandated by **Section 135 of the Companies Act, 2013**, and the **Companies (CSR Policy) Rules, 2014**, applying to MEPL upon meeting any statutory threshold (Net worth \geq ₹500 Cr, Turnover \geq ₹1,000 Cr, or Net Profit \geq ₹5 Cr).

2. GOVERNANCE AND SPENDING OBLIGATION

2.1 The Spending Mandate

The Board of Directors (the Board) shall ensure that the Company spends at least **2% of the average net profit** (calculated per Section 198) of the three immediately preceding financial years on CSR activities.

2.2 CSR Governance Structure

- **Board of Directors:** Responsible for approving the Policy, ensuring the 2% spend, and approving the annual CSR action plan and budget.
- **CSR Committee (CSR-C):** Formulates and recommends the Policy and Action Plan, and monitors project implementation.
- **Committee Composition:** The Committee shall comprise Directors of the Company in accordance with applicable provisions of the Companies Act, 2013



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2.3 Constitution of the CSR Committee (Statutory Committee)

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of **Mungi Engineers Private Limited (MEPL)** has constituted a **Corporate Social Responsibility (CSR) Committee**.

The CSR Committee of the Company comprises the following Directors (as on 17th December 2025):

- **Mr. Vivek Shrikant Mungi** – Managing Director
- **Mr. Sandeep Purkar** – Director
- **Mr. Deepak Sudam Kukawalkar** – Director

The CSR Committee shall be responsible for:

- Formulating and recommending the CSR Policy to the Board of Directors;
- Recommending CSR projects, annual action plans, and budgets;
- Monitoring implementation of CSR initiatives and utilisation of CSR funds;
- Reviewing CSR performance and ensuring compliance with Section 135 of the Companies Act, 2013 and applicable rules;
- Reporting periodically to the Board of Directors.

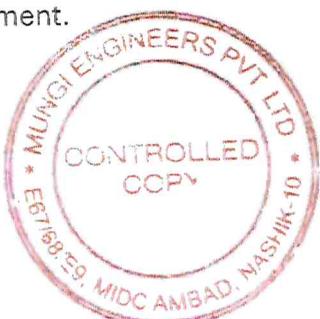
The composition of the CSR Committee may be altered by the Board of Directors from time to time in accordance with applicable law, and such changes shall not require amendment of this Policy.

3. FOCUS AREAS AND EXCLUSIONS

3.1 Eligible Activities (Schedule VII Alignment)

MEPL's CSR efforts are exclusively restricted to the areas specified in **Schedule VII** of the Companies Act, 2013, including:

1. Promoting Health Care, Sanitation, and safe drinking water.
2. Promoting Education, Skill Development, and Livelihood Enhancement.
3. Ensuring Environmental Sustainability and ecological balance.
4. Empowerment of Women.



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- 5. Disaster relief and response initiatives.

3.2 Mandatory Exclusions (Prohibited Activities)

CSR expenditure shall **NOT** include :

- Activities undertaken in the **normal course of business**.
- Welfare programs exclusively benefiting **Company employees or their family members**.
- Contributions to political parties or lobbying activities.
- Activities outside India (except specified training).

3.3 Local Area Preference

The Company shall **GIVE PREFERENCE** to local areas where it has operational presence (Chakan, Nasik, Zaheerabad). This preference is **directory (not mandatory)**, allowing the Company discretion to pursue national projects where justified.

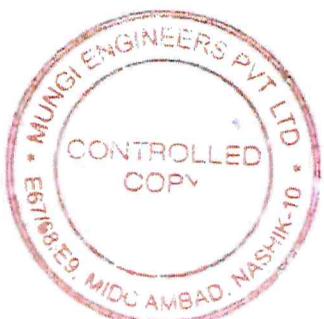
4. FINANCIAL CONTROLS AND FUND MANAGEMENT

4.1 Administrative and SIA Cost Limits

- **Administrative Overheads:** Limited to a maximum of **5%** of the total CSR expenditure in the financial year.
- **Social Impact Assessment (SIA) Costs:** When mandated by law, SIA costs shall not exceed **2% of the total CSR obligation OR ₹50 lakh, whichever is HIGHER**. These costs are **EXCLUDED** from the 5% administrative overhead cap.

4.2 Management of Unspent Funds and Excess Spending

- **Ongoing Project Definition:** A project with timelines **NOT EXCEEDING THREE YEARS EXCLUDING THE FINANCIAL YEAR IN WHICH IT WAS COMMENCED**.
- **Unspent Funds Transfer:**
 - **Ongoing Projects:** Unspent funds must be transferred to the **Unspent CSR Account** within **30 days** of the financial year end, to be utilized within three financial years.



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- **Non-Ongoing Projects:** Unspent amounts must be transferred to a designated **Schedule VII Fund** within **six months** of the financial year end.
- **Set-off of Excess Spending:** Excess expenditure may be set off against the CSR obligation for the **three immediately succeeding financial years (Rule 7(3))**, subject to Board Resolution.

5. IMPLEMENTATION, MONITORING, AND DISCLOSURE

5.1 Implementation Mechanisms

The Company may implement projects directly or through third-party entities. External implementing agencies must possess a valid **CSR Registration Number (CSR-1)** issued by the MCA (mandatory for projects from April 1, 2021, onward). This includes registered trusts, societies, Section 8 companies, and Government-established entities.

5.2 Monitoring and Reporting

- **Monitoring:** The CSR Committee is responsible for **quarterly monitoring** of project progress, expenditure, and outcomes.
- **Impact Assessment:** Mandatory for large projects (outlay \geq ₹1 crore for companies with obligation \geq ₹10 crore) and must be conducted by an independent agency.
- **Public Disclosure (Mandatory):** The Company shall disclose the **CSR Policy**, **Committee Composition**, and approved **CSR Projects** on its website for public access. The Annual Report on CSR activities (including Form CSR-2) shall be filed with the Registrar of Companies.

[Signature]

