



SWADESHI
CIVIL INFRASTRUCTURE

We Deliver...

Corporate Social Responsibility Policy (CSR)

Swadeshi Civil Infrastructure Pvt. Ltd.
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TABLE OF CONTENTS

1. PROFILE
2. PREAMBLE
3. VISION STATEMENT AND OBJECTIVES
4. FINANCIAL RESOURCES
5. GOVERNANCE STRUCTURE
6. PLANNING AND STRATEGY
7. IMPLEMENTATION AND MONITORING
8. REPORTING AND DISCLOSURE

1. PROFILE

Swadeshi Civil Infrastructure Pvt. Ltd. formerly known as Swadeshi construction co. was founded under proprietorship of Mr. Ramavtar Goel. Swadeshi Civil Infrastructure Pvt. Ltd. has been an early adopter of Corporate Social Responsibility ('CSR') initiatives. It is the motto of the company, that with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. From time to time the co. has given support to many not-to- profit organizations aimed to community development. The company focus is always towards contributing to sustainable development of the society and environment. The promoters of the company have played a significant role in this. The promoters have been actively involved in community services from a long time. They have played a vital role in providing primary education to the rural children. The area of work is not just confined to only education sector, but they have played a key role in providing modern healthcare services to the rural poor. Based on the guiding philosophy by which Swadeshi Civil Infrastructure Pvt. Ltd works, the CSR vision and mission has been defined by its promoters.

2. PREAMBLE

Corporate Social Responsibility (CSR) may be understood to be a process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrate its commitment in this regard by suitable and strategically targeted activities. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operations and growth.

Ministry of Corporate Affairs has notified section 135 and schedule VII of Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to come into effect from April 01, 2014.

This CSR Policy of Swadeshi Civil Infrastructure Pvt. Ltd. has been prepared pursuant to the section 135 of the Companies Act, 2013 and the notified CSR Rules, 2014. This CSR policy should serve as the referral document for all CSR related activities of Swadeshi Civil Infrastructure Pvt. Ltd.

3. VISION STATEMENT AND OBJECTIVES

3.1 Vision

To promote development of human capital and rural areas as a key contributor to the growth of India and to support sustainable developmental activities aimed at creating a cleaner, greener and healthier environment.

3.2 Objectives

The objectives of Swadeshi Civil Infrastructure Pvt. Ltd. CSR Policy would be to:

- a. Support activities aimed at development of human capital and rural areas thereby also enhancing the quality of life and well-being of the people.

- b. Support activities which help create a cleaner, greener and healthier environment and thereby also enhance company's perception as a socially responsible entity.

4. FINANCIAL RESOURCES

Every year, Swadeshi Civil Infrastructure Pvt. Ltd. shall, with the approval of its Board of Directors, make a budgetary allocation for CSR and Sustainability activities / projects for the year. The budgetary allocation will be at least two percent of the average net profits of the company made during the three immediately preceding financial years. For the purposes of this section “average net profit” shall be calculated in accordance with the provisions of section 198 of Companies Act, 2013. Net Profit shall not include the following:

- a. any profit arising from any overseas branch or branches of the company whether operated as a separate company or otherwise;
- b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013;

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, shall not be required to be re-calculated in accordance with the provisions of the Act.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of Swadeshi Civil Infrastructure Pvt. Ltd. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.

4.1 GOVERNANCE STRUCTURE

The proposed Governance Structure is as depicted and explained below:



4.2 ROLE OF BOARD

In pursuance of the section 135 of the Companies Act, 2013, the Board of Swadeshi Civil Infrastructure Pvt. Ltd. shall:

- a) after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed;
- b) ensure that the activities as are included in Corporate Social Responsibility Policy of the Swadeshi Civil Infrastructure Pvt. Ltd. are undertaken by the company.
- c) The Board of Swadeshi Civil Infrastructure Pvt. Ltd. shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy, 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.

- d) If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of Companies Act 2013, specify the reasons for not spending the amount.

4.3 CSR COMMITTEE

In pursuance to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014; Swadeshi Civil Infrastructure shall constitute Social Responsibility Committee of the Board consisting of three directors.

The Corporate Social Responsibility Committee shall:

- a) 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 Companies Act, 2013;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
- c) monitor the Corporate Social Responsibility Policy of the company from time to time.

4.4 CSR DEPARTMENT

Swadeshi Civil Infrastructure Pvt. Ltd. shall constitute a CSR Department in place to support the CSR Committee. The role and structure of the Department can be determined and changed by the CSR Committee, or the Board of Director's, from time to time.

The designated officer will regularly submit reports regarding the progress in the implementation of CSR and Sustainability activities to the CSR committee. The Committee will in turn, periodically submit the reports to the Board of Directors for their information, consideration and necessary directions. The periodicity of submission of reports by CSR Committee to the Board of Directors is a matter to be decided by the CSR Committee.

4.5 PLANNING AND STRATEGY

The Company shall endeavor to integrate their CSR and Sustainability plans with the business plans and strategies. For easy implementation, any long-term CSR and Sustainability plans may be broken down into medium-term and short-term plans. Each plan must specify the CSR and Sustainability activities planned to be undertaken for each year, define the responsibilities of the designated authorities to be engaged in this task, and also may prescribe the measurable and the expected outcome and social / environmental impact of such activities.

The priority program/ activities shall be taken up and selected then implementation will be done accordingly. After that monitoring will be done from time to time. Annual reporting and disclosures will be done as per the law.

5. CSR ACTIVITIES AREAS

The CSR activities shall be undertaken by Swadeshi Civil Infrastructure Pvt. Ltd., as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding the activities undertaken in pursuance of its normal course of business.

CSR activities can be undertaken by Swadeshi Civil Infrastructure Pvt. Ltd either through its eligible subsidiaries or by associating with external entities. The Board of Swadeshi Civil Infrastructure Pvt. Ltd may decide to undertake its CSR activities, approved by the CSR committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise. Provided that-

- a) if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
- b) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

Swadeshi Civil Infrastructure Pvt. Ltd. may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the notified CSR Rules 2014.

CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure. The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section

135 of the Act.

Swadeshi Civil Infrastructure Pvt. Ltd. may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the company in one financial year.

Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

As per the Schedule VII under section 135 of the Companies Act, 2013, the following activities would be allowed as a part of CSR activities by Swadeshi Civil Infrastructure Pvt. Ltd.:

- i. eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swachh 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 and handicrafts;
- vi. measures for the benefit of armed forces veterans, war widows and their dependents;
 - 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 any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
 - ix. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
 - x. rural development projects;
 - xi. slum area development.

6. IMPLEMENTATION AND MONITORING

Activities which are selected under CSR and Sustainability agenda, as far as possible, shall be implemented in a project mode, which entails charting the stages of execution in advance through planned processes, with mobilization of pre-estimated quantum of resources, and within the allocated budgets and prescribed timelines. It shall also assign clear responsibility and accountability of the designated officials / agencies that are entrusted with the task of implementation.

Monitoring shall be done periodically with the help of identified key performance indicators; the periodicity being determined largely by the nature of performance indicators. Monitoring mechanisms should have periodic feedbacks with recourse to mid-course correction in implementation, whenever required.

Actual disbursements shall be linked to the progress on the ground.

7. REPORTING AND DISCLOSURES

7.1 Annual Reporting

The Board's Report of Swadeshi Civil Infrastructure Pvt. Ltd. for the financial year commencing from 1st day of April, 2015 shall include an annual report on CSR as annexed.

7.2 Company Website

The Board of Directors of the Swadeshi Civil Infrastructure Pvt. Ltd. shall after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company and disclose contents of such policy in its report and the same shall be displayed on the company's website, if any.
