

SWASTIK Pipe Limited

Corporate Social Responsibility Policy

1. Introduction

A Policy to ensure that Swastik Pipe Limited, (hereinafter called “SPL/Company”) complies with Section 135 of Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (jointly hereinafter refer as “CSR Regulations”) as amended.

To adhere to CSR Regulations, SPL is committed for CSR policy by clearly defining the broad guidelines & framework for implementation of Corporate Social Responsibilities or Corporate Responsibility (“CSR” or “CR”) activities/projects along with the responsibilities to ensure maximum outcomes.

In accordance with Section 135(5) of the Companies Act, 2013 (the Act), SPL is committed to spend at least 2% of its average net profits made during the three immediately preceding financial years in some of the identified activities that are listed in Schedule VII (as amended) to the Act.

2. Vision

SPL, through its CSR Policy, will continue its services, conduct and initiatives to promote sustained growth for the society and community in fulfilment of its role as a socially responsible corporate entity with environmental concern.

3. Objectives

- Ensure an increased commitment at all levels, in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- Behave ethically and contribute towards economic development while improving the quality of life of our customers as well as local community and society at large.
- SPL will implement its activities to empower weaker, less privileged and marginalized sections of the society.
- Conduct open and transparent business practices that are based upon ethical values and respect for communities and environment.
- To generate, through its CSR initiatives, goodwill and pride for SPL among stakeholders and help reinforce a positive and socially responsible image of SPL as a Corporate entity.

4. Governance mechanism:

Our CSR Policy is governed by the Board of Directors of the Company. The Board has constituted a CSR Committee comprising an Independent Director and two more directors as members for planning, implementing and monitoring of CSR activities of

the Company. The quorum is two persons including chairman of committee. Half yearly report is submitted to the Board. Following will be the role of the committee:

- i. CSR Committee shall conceptualize, frame and adopt a policy (CSR Policy), in terms of the Companies Act, 2013 and related to the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 and recommend to the Board;
- ii. The CSR Committee shall be responsible for execution and management of CSR Policy of the Company, and shall adhere to the guidelines and instructions laid down by the Board, including the relevant instructions for the CSR Committee. The CSR Committee may authorize any person or group of persons for execution of CSR Policy of the Company under its supervision to comply with Companies (Corporate Social Responsibility Policy) Rules, 2014.
- iii. The CSR Committee shall carry out and be responsible for the duties assigned to it by general instructions given by the Board and guidelines and orders issued by the Board from time to time to implement the CSR Policy of the Company;
- iv. The CSR Committee shall be responsible to monitor and approve the expenditure on CSR Policy of the Company and ensure all the compliances in this regard by the Company
- v. The CSR Committee shall be responsible for approve programs/projects/activities and approve the amount of budgeted expenditure to be incurred on the activities
- vi. The CSR Committee may delegate specific or general authority to the employees within the Company together with guidelines for performance.
- vii. The CSR Committee may perform any other task as may be referred to it, by the Board, from time to time

5. Projects/Programs/Activities

The primary focus area of the CSR Policy of SPL will be in form of interventions in areas of health, education, environment, development of the children and empowerment of women & underprivileged.

Project/programs activities will be in the areas of:

- i. Providing Drinking Water Facility
- ii. Education
- iii. Solar lighting System
- iv. Health and Family Welfare
- v. Sanitation and Public Health
- vi. Environment friendly technologies
- vii. Promotion of livelihood for economically weaker sections through forward and backward linkages
- viii. Construction of Community Centers /Night Shelters/Old age Homes
- ix. Imparting Vocational Training

- x. Settling up of skill development centers
- xi. Scholarships to meritorious students belonging to SC, ST, OBC and disabled categories
- xii. Skill training, entrepreneurship development and placement assistance programmes for youth
- xiii. Entrepreneurship Development Program (EDP)
- xiv. Providing assistance during natural calamities
- xv. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

Any Projects/programs/activities other than the above will be taken with the approval of Board of Directors.

6. Implementing Agency

CSR projects/programs/activities shall be undertaken/implemented by/through the following agencies/entities:

1. By direct implementation.
2. Through independently registered non-profit organisations, trusts, foundations, missions, institutes/ academic organisation, etc., whether Government, Semi- Government or autonomous organisations etc., having minimum three years of experience post registration in handling activities of similar nature.

7. Annual Budget

In line with the requirement of CSR Regulations, SPL shall spend on CSR activities during the financial year minimum of 2% of the average net profit earned by the Company during the immediate previous three financial years. The surplus, if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of the SPL and shall be ploughed back into the CSR activities.

If SPL fails to spend the required amount, the Board shall, in its report specify the reasons for not spending the amount.

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on the programmes relating to CSR activities approved by the CSR Committee which falls within the purview of schedule VII of Companies Act, 2013. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

8. Monitoring and Reporting

Monitoring of projects and review the progress is an ongoing process by CSR Committee of the Board from time to time.

The CSR committee shall submit a report to the board at the end of the year or on completion of the project. This report shall be a part of the annual /CSR report.

9. Amendments to the CSR Policy

The Board of directors shall have power to amend the CSR Policy, at any point of time, as they deem appropriate, with or without a recommendation from the CSR Committee.