SAINIK INFRATEC PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

A. INTRODUCTION

Sainik Infratec Private Limited has always been committed to the cause of social services. The Company has always channelized a part of its resources towards betterment of society. The Company has taken up various Corporate Social Responsibility (CSR) initiatives in the past to enhanced social, environment and ethical values in the society, primarily in the states where the operating sites of the Company are located.

With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company seeks to formulate a robust CSR Policy which encompasses its philosophy and provide guidance to sustained efforts of the Company for undertaking and supporting socially useful programs for the welfare and sustainable development of the society.

B. CSR OBJECTIVE AND GUIDING PRINCIPLE

The objective and guiding principle of the CSR policy is "**Giving Back to the Society**."

The Company shall channelize its CSR activities which are:

1. Consistent with sustainable development and welfare of society,
2. Takes into account the expectations of stakeholders,
3. In compliance with applicable law, and
4. Uniformly integrated and practiced throughout the Company.

C. SCOPE

In furtherance of its CSR objects, the Company may initiate any program/ project at its own or through other company, trust and society formed by the Company or may join any other company, trust or society formed by the group companies or through any external company, trust and society engaged in CSR activities.

D. DEFINITIONS

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.

2. "Agency" (or Agencies) means any Section 8 Company or a registered trust/ society/NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.

3. "Approved Budget" shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.

4. "Board" shall mean the Board of Directors of the Company.

5. "Company" shall mean Sainik Infratec Pvt. Ltd. and wherever the context requires, shall signify the Company acting through its Board.

6. "CSR Annual Plan" shall mean the annual plan detailing the CSR expenditure for the year.

7. "CSR Committee" shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors.

8. "CSR expenditure" means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, including the following:

   i. contribution to CSR Projects which shall be implemented and/or executed by the Company;
   ii. contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by Trust or Society formed by the Company; and
   iii. contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by an Agency.
   iv. Any other contributions covered under Schedule VII.

9. "CSR Officer" shall mean the whole time person engaged by the Company for activities envisaged in the CSR Policy; having due comprehension, understanding, drive and passion for such activities and designated as such.

10. "CSR Policy" shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.

11. "CSR Projects" or "Projects" means Corporate Social Responsibility projects/activities/ programs/ initiatives, instituted in India, either new or ongoing, and include, but not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company. Projects/activities/ programs/ initiatives undertaken in pursuance of normal course of business of the

Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

12. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

13. "Group Companies" means holding, subsidiaries and Associate Companies of Sainik Infratec Private Limited.

14. "Net profit" shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.

15. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

16. "Society" means a Society formed and registered under the Societies Registration act, 1860 by the Company and includes a society jointly formed and registered by the Company with all or any of its Group Companies.

17. "Thrust Areas" shall have the meaning as ascribed to them as per provision E of the Policy.

18. "Trust" means a Trust created and registered under the India Trusts Act,1882 by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group Companies.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

E. THRUST AREAS:

While the Company may undertake any program/activity covered under Schedule VII of the Act, the thrust areas of the Company shall be the activities/program provided hereunder:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventing health care and sanitation and making available safe drinking water;

2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects;

3. 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;

4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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;

5. 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;

6. Measures for the benefit of armed forces veterans, war widows and their dependents;

7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;

8. Contributions or funds provided to specified funds/institutions recognised under Schedule VII;

9. Contributions to incubators or research and development projects in the fields of science, technology, engineering and medicine, as specified under Schedule VII;

10. Rural development projects;

11. Slum area development; and

12. Disaster Management, including relief, rehabilitation and reconstruction activities;

F. IDENTIFICATION OF CSR PROJECTS:

1. CSR Projects need to be identified and planned for approval of the CSR Committee, particularly in Thrust Areas, with estimated expenditure and phase wise implementation schedules

2. The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates (including its sites). However, this shall not bar the Company from pursuing its CSR objects in other areas.

3. As a cardinal principle, the CSR Projects in Thrust Areas shall be identified on the basis of a detailed assessment survey.

4. The CSR Officer may engage external professionals/firms/agencies if required, for the purpose of identification of CSR Projects.

G. IMPLEMENTATION OF CSR PROJECTS

The Company shall implement the identified CSR Projects by the following means:

(A) Direct Method: The Company shall directly implement/execute:

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Thrust Areas as defined in the Policy;

2. The Company may also implement the identified Projects presently through its Trust or Society which is involved in CSR activities, within the scope and ambit of the Thrust Areas as defined in the Policy.

3. The CSR Officer may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.

4. The Company may collaborate with other companies, including its Group Companies if required, for fulfilling its CSR objects through the Direct method, provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.

(B) Indirect Method

1. The Company may implement the identified CSR Projects through Agencies, subject to the condition that: The activities pursued by the Agency are covered within the scope and ambit of Schedule VII of the Act provided :

    (a) The Agency has an established track record of at least three years in undertaking similar programs or projects, and
    (b) The Company has specified the Project to be undertaken through the Agency which shall preferably be in Thrust Areas, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism which shall be atleast once in three months.

2. The Company may collaborate with other companies, including its holding and subsidiary Companies and Group Companies if required, for fulfilling its CSR objects through the Indirect method provided that the CSR Committees of respective companies are in a position to monitor separately such Projects.

H. MONITORING

The monitoring process for CSR Projects shall include the following:

1. Evaluation of Planned progress V/s Actual Progress

2. Actual expenditure v/s expenditure as per Approved Budget

I. FUND ALLOCATION AND OTHERS

(A) Fund allocation

1. The Company, in every Financial Year, shall endeavor to spend the feasible amount, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned expenditure in any Financial Year shall be atleast 2% of Company's average Net profits for the three immediately preceding Financial Years.

2. The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:

   (a) Identified CSR Projects

   (b) CSR expenditure

   (c) Implementation Schedules

3. Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee

4. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134.

(B) Others

1. The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects in the Thrust Areas. However, there shall not be any preference given to any particular Thrust Area for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.

2. The CSR Committee of the Company is authorized to decide on Projects to be implemented through the Indirect Method within the allocation as per the Annual Plan.

3. Any surplus arising out of the CSR Projects shall not form a part of the business profit of the Company.

4. The Company may build CSR capacities of their own personnel or personnel of its Trust or Society, as well as those of the Agencies through institutions with established track records of at least three Financial Years but such expenditure shall not exceed 5% of the Approved Budget of the Company in one Financial Year.

J. DUTIES AND RESPONSIBILITIES

1. Board of Directors

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules.

2. CSR Committee

The following shall be the duties and responsibilities of CSR Committee:

(a) The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet atleast twice a year.

(b) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.

(c) The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting held in first quarter of the following year for Board review and finalization.

(d) The CSR Committee shall place before the Board held in first quarter of the following year, a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company for inclusion in the Board's Report.

(e) The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

3. CSR OFFICER

The following shall be the duties and responsibilities of CSR Officer:

(a) The CSR Officer shall be responsible for the proper implementation and execution of CSR Projects of the Company.

(b) The CSR Officer shall be responsible for monitoring the Projects vis-à-vis the Annual Plan.

(c) The CSR Officer shall communicate the relevant feedbacks received by him/her to the CSR Committee.

(d) The CSR Officer shall be directly responsible to the CSR Committee for any act that may be required to be done by the CSR Committee in accordance with the Policy.

(e) The CSR Officer shall be assisted by a select group of individuals who shall be exclusively dedicated and/or available on priority basis to the CSR Officer, including in Units, as and when required in discharge of all or any of his functions as required under the CSR Policy.

K. Review Periodicity and amendment:

1. CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit.

2. The CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.

SAINIK INFRATEC PRIVATE LIMITED NEW DELHI

Yuvraj Singh Solanki
Director