



CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A. Short Title & Applicability:

The policy lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. This policy shall apply to all CSR initiatives and activities taken up at the various units and locations of Swastika Infra and other locations, for the benefit of different segments of the society, specifically the deprived, underprivileged and physically challenged persons.

Accordingly, the Board has approved the Policy vide resolution dated 21/03/2025 and adopted the same with effect from 21/03/2025.

B. CSR Vision Statement & Objective:

- a. In alignment with vision of the company, Swastika Infra, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.
- b. The objective of the **CSR Policy** is to:
 - Directly or indirectly take up programmes that benefit the communities in & around its work places, over a period of time, in enhancing the quality of life & economic well-being of the local population.
 - Generate through CSR initiatives, a community goodwill for Swastika Infra and help reinforce a positive & socially responsible image of Swastika Infra as a Corporate entity.
 - Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

C. CSR Activities

Corporate Social Responsibility (CSR) Activities means and includes, but is not limited to Projects or Programmes relating to the activities specified in schedule VII to the Companies Act, 2013 or any modification made therein from time to time.

D. Amount To Be Allocated

1. Swastika Infra will allocate 2% of the average of its previous three year's Net Profit or such higher amount as the Board may approve from time to time, as its Annual CSR Budget in each Financial Year for the CSR Activities. The Average Net Profit shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.
2. The administrative overheads not to exceed 5% of total CSR expenditure of the Company for the financial year relating to the general management and administration of CSR functions of the company.
3. In case, the Company spends an amount in excess of requirement provided in Section 135(5) of the Act, such excess amount may be set-off against the requirement to spend under Section 135(5) of the Act in the immediately succeeding three financial years provided the Board approves the set-off by passing a resolution to that effect. The profit/surplus arising out of the CSR activities shall not be available for set-off.
4. In case, the Company fails to spend the prescribed CSR amount in any financial year, the Board shall, in its report specify the reasons for not spending the amount. Further the Board shall also identify whether the unspent amount relates to Ongoing Projects or Non-ongoing Projects.





5. The unspent amount relating to any Project other than Ongoing Project shall be transferred to such Fund as may be specified in Schedule VII to the Act within a period of six months of the expiry of the respective financial year.
6. The unspent amount relating to any Ongoing Project shall be transferred by the Company within a period of thirty days from the end of the financial year to a special 'Unspent CSR Account' for that financial year and such amount shall be spent by the Company in pursuance of its obligation towards the Ongoing Project within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the unspent remaining amount to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

E. Implementation Process

1. CSR programs will be undertaken by various units of SWASTIKA INFRA to the best possible extent within the defined ambit of the CSR Activities.
2. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
3. Programs which involve considerable financial commitment and are undertaken on a timeframe of 2-5 years, will be considered as 'flagship programs' and accorded enhanced significance.
4. By and large, it may be ensured that at least 50% of the CSR Activities are executed in and around the areas adjoining Swastika Infra installations/Units and Plant.
 - Initiatives of State Government, District Administration, Local Administration as well as Central Government Departments/Agencies, Self-helping groups, etc., would be synergized with the initiatives taken by Swastika Infra.
 - Thrust should be given, wherever possible, to the areas related to the business of Swastika Infra as a natural corollary to the business.
 - Investments in CSR should be Project based. Mere donations to philanthropic/charity, contribution of any amount directly or indirectly to any political party or other organizations would not come under the category of CSR Activities.
 - CSR activities should generate community goodwill, create social impact and visibility.
 - For CSR projects, the time-frame and periodic milestones should be finalized at the outset.

The process for implementation of CSR programs will involve the following steps: -

- a. Identification of programs at Corporate, Plant and Unit level will be done out of the following:
 - Need identification by the CSR Committee of Swastika Infra.
 - Internal need assessment by a team at the unit level;
 - Receipt of proposals/requests from District Administration/ Local Govt. etc.
- b. Discussions and request with local representatives/ Civic bodies/ Citizen's forums/Voluntary organizations.
Area of CSR activities: CSR works being focused in the areas adjoining work places, the programs identified should normally fall within a radius of 50 Kms. from Swastika Infra plants, and units and other work places.



c. Project based approach: Swastika Infra units will follow a project-based accountability approach to stress on the long-term sustainability of CSR projects, where its action plan will be distinguished as 'Short-term', 'Middle-term' & 'Long-term', qualified as: -

- Short Term: less than 6 months
- Middle Term: 6 months and above and less than 1 year
- Long Term: 1 years and above - 'flagship programs

d. While identifying Long Term Programs, all efforts must be made to the extent possible to define the following:

- Programme objectives
- Baseline survey - it would give the basis on which the outcome of the programme would be measured.
- Implementation schedules: - Timelines for milestones of the programme will need to be prescribed
- Responsibilities and authorities
- Major results expected and measurable outcome.

e. Approval Required

- CSR programs as may be identified by Swastika Infra, will be required to be put up before the CSR Committee at the beginning of each financial year, with due recommendations.
- For meeting the requirements arising out of immediate & urgent situations, on the basis of the recommendations of the CSR Committee of Swastika Infra will approve the proposals and authorize the Managing Director or any other Director of the Company to implement the same.

f. Executing Agency

- Swastika Infra will identify suitable programs for implementation in line with the CSR objectives of the Company and benefit the community for which those programs are intended and will execute the activities by itself with the help of CSR committees.
- The Board of Directors of the company may decide to undertake its CSR Activities approved by the CSR Committee.
- The CSR Projects/Programs/Activities can also be undertaken in collaboration with other companies 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 provisions of the Companies Act, 2013 and Rules made there under in this connection.
- However, if need be, Swastika Infra may seek help from other agencies, such as: -
 - ✓ Community based organizations whether formal or informal.
 - ✓ Elected local bodies such as Panchayats.
 - ✓ Voluntary Agencies (NGOs)
 - ✓ Institutes/Academic Organizations
 - ✓ Trusts, Missions
 - ✓ Self-help Groups





- ✓ Government, Semi-Government and autonomous organizations.

g. Criterion for identifying Executing agency:

In case of programme execution by NGOs/Voluntary organizations, the following minimum criteria need to be ensured: -

- The NGO/Agency has a permanent office/address in India.
- The NGO is a registered society under Societies Registration Act.
- Possesses a valid Income-tax Exemption Certificate.
- The antecedents of the NGO / Agency are verifiable/ subject to confirmation.

h. Agreement between Swastika Infra & Executing Agency:

Once the approved programs under CSR are communicated to the units, they will be required to enter into an agreement with each of the executing/ implementing agency as per the Standard Modal Agreement approved by CSR Committee or any Director authorized by CSR Committee.

F. Monitoring And Feedback

a. To ensure effective implementation of the CSR programs undertaken a monitoring mechanism will be put in place. The progress of CSR programs under implementation will be reported on a monthly basis to the Company. The Company shall report the progress of CSR programs under implementation on quarterly basis to the CSR Committee giving the following details:

- CSR Project or Activity Identified:
- Thrust Area in which the project is covered:
- Local area or other:
- Specify the State and district where projects or programme was undertaken:
- Budgeted amount for the project or programme:
- Amount spent on the projects or programme indicating separately the Direct Expenditure and other Overheads.
- Cumulative expenditure upto the reporting period;
- Amount spent Directly or through implementing Agency:
- Details of Implementing Agency:
- Reasons for not implementing the projects or programme;

b. The Company, in association with other concerned departments, will conduct impact studies on a periodic basis, through a duly constituted committee for this purpose, especially on the strategic and high value programs.

c. Appropriate documentation of the Swastika Infra CSR Policy, Annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be displayed in the Company's official website.

d. CSR Activities of the Company will also be reported in the Board's Report of the Company in the format prescribed in the Companies (CSR Policy) Rules 2014.

G. Impact assessment

a. Company shall undertake impact assessment when the average obligation exceeds Rs.10 Crores in the immediately three financial years. Such Impact Assessment shall be undertaken through an independent



agency, in respect of CSR projects having outlays of Rs.1 (one) Crore or more, and which have been completed not less than one year before undertaking the impact assessment and the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

b. The expenditure incurred towards Impact assessment, if applicable, may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or Rs. 50 lakhs, whichever is less.

H. General

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the Company who in turn shall seek the clarification from the CSR Committee. In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR policy would be subject to revision/amendment in accordance with the Rules and guidelines on the subject as may be issued from Government, from time to time, subject to approval of the CSR Committee.

The Company reserves the right to modify, cancel, add, or amend any of these Rules, with approval of the CSR Committee.

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**Ruchira Gupta
Whole-Time Director**