

SWARAJ SUITING LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

CONTEXT

Swaraj Suiting Limited (SSL) is an adopter of Corporate Social Responsibility (“CSR”) initiatives along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth.

The Company aims at providing a dedicated approach to community development and also to fulfill our CSR commitments. The company works towards removing malnutrition, improving healthcare infrastructure, supporting primary education, rehabilitating destitute individuals and caring for animals, and preserving Indian art and culture.

The company helps the non-government organizations (NGOs) to make a difference among local communities. The Company’s focus has always been to contribute to the sustainable development of society and the environment, and to make our planet more livable for future generations.

OBJECTIVES

The Company’s CSR Policy intends to:

- Strive for economic development that positively impacts society at large with minimal resource footprint.
- Embrace responsibility for the Company’s actions and encourage a positive impact through its activities to alleviate hunger, poverty and malnutrition; to protect the environment; and to support communities, stakeholders and society.

CONSTITUTION OF THE CSR COMMITTEE

In accordance with the Act, the Board of SSL has constituted the Corporate Social Responsibility Committee (“CSR Committee”) consisting of minimum 3 members, including at least one Independent Director. The CSR Committee shall inter-alia perform the following functions:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the frame work within which the proposed CSR activities would be undertaken;
- Select and approve CSR projects which will be identified based on the proposed thematic areas as provided under the Act and the Rules therein;
- Recommend the amount of expenditure to be incurred on the CSR projects; and
- Monitor the implementation of the CSR Policy from time to time and take such other action as it may deem fit in pursuance of the CSR vision of SSL.

CSR PRINCIPLES:

SSL’s CSR Policy is supported by the following principles:

1. We are committed to conducting our operations with integrity and respect, in the interest of our stakeholders.
2. We believe growth and environmental sustainability need not be conflicting. Our business model is designed to deliver sustainable growth. The inputs to the model are our people and our operations. The outputs to the model are sustained growth, lower environmental impact and positive social impact.
3. We collaborate and engage with different stakeholders including Governments, NGOs, IGOs, suppliers, farmers, and distributors to tackle the challenges faced by the society.

In accordance with Section 135(5) of the Act and Rules framed thereunder, SSL 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.

FOCUS AREAS

In accordance with the CSR Policy of SSL, following activities can be undertaken by the Company (singly or in combination of):

1. HUNGER, POVERTY, MALNUTRITION AND HEALTH:

Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.

2. EDUCATION:

Promoting education, including special education and employment-enhancing vocational skills, especially among children, women, the elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies, this also includes skilling and re-skilling initiatives for those who are in need.

3. RURAL DEVELOPMENT PROJECTS:

Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.

4. GENDER EQUALITY AND EMPOWERMENT OF WOMEN:

Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and other similar facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.

5. ENVIRONMENTAL SUSTAINABILITY:

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.

6. NATIONAL HERITAGE, ART AND CULTURE:

Protecting national heritage, art and culture, including the restoration of buildings, sites of historical importance, and works of art; setting up public libraries; reviving, promoting and developing traditional arts and handicrafts.

7. Measures for the benefit of armed forces veterans, war widows and their dependents;
8. Training to promote rural sports, nationally recognized sports, Paralympics' sports and Olympic sports;
9. Contribution to 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 Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
10. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
11. Rural development projects.
12. Slum area development (Explanation.—For the purposes of this item, the term slum area shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.)

The aforesaid activities /Projects/ Programmes will be implemented/ undertaken either by the company directly or as specified under Rule 4(2) of Companies (Corporate Social Responsibility Policy) Rules, 2014.

SURPLUS OF CSR PROJECTS

In line with the guidelines provided by the Act, surplus, if any arising out of the projects or programs or activities shall not form part of the business profit of SSL and such surplus shall be invested in appropriate bank deposits, liquid funds and other instruments offering adequate safety and reliability and any interest income earned on the foregoing shall be utilized for CSR purposes.

IMPLEMENTATION AND MONITORING FRAMEWORK

SSL shall institute a transparent monitoring mechanism for implementation of the CSR projects/ programs / activities undertaken. For the said purpose, SSL will set-up an internal monitoring group. The internal monitoring group shall submit its report to the CSR Committee by way of a presentation over a period of 3 (three) months.

The CSR Committee through the internal monitoring group / team shall:

- Ensure that the CSR projects are implemented in terms of the CSR Policy of the Company.
- MIS process to be instituted for each of the projects. MIS shall be in the format approved by CSR Committee. The reporting format of SSL CSR projects shall include (but not limited to) itemized heads of expenditure incurred, overheads / cost incurred by SSL (if any), specific areas / geographies and beneficiaries' impacted, cumulative expenditure spent up to the reporting period.

- Closely monitor the implementation schedules of each of the projects; and where there has been delay in the implementation schedules, the reasons for delay to be looked into and addressed to the extent possible.
- Ensure all fund disbursement in respect of CSR programmes is directed only towards the projects / programmes set out in the CSR Policy and funds are released against verified utilizations through approved project plans.

The CSR committee may undertake periodic or surprise field visits, interact with the beneficiaries of the projects and undertake independent evaluation.

REPORTING

The CSR monitoring group shall prepare reports on a periodic basis (quarterly basis) and the said report shall provide a complete download on the activities and / or projects taken up under the CSR mandate and shall also incorporate therein the impact analysis of the CSR efforts.

Impact analysis / assessment shall be based on an objective evaluation of the CSR project's scope together with specific parameters (if any) and expected outcomes / outputs within the appropriate timelines.

CSR monitoring group shall also provide a consolidated 12 (twelve) months activity and impact report in the format prescribed in the Rules, which will be included in the Annual Report of the Company. The report on financial spending shall be duly audited by a competent Financial Auditor appointed by the Board.