

APCO INFRATECH PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

BACKGROUND

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII, the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board, which has formulated and recommended to the Board, a Corporate Social Responsibility (CSR) Policy aligned with the CSR philosophy, ideology and objectives of the Company. The Board has approved this CSR Policy, subject to reviews and modification, as may be required from time to time.

PHILOSOPHY

Corporate Social Responsibility (CSR) is a public-spirited cause that has been introduced by the Companies Act, 2013. Through the CSR, there is a formation of a dynamic relationship between a Company on one hand and the Society and Environment on the other hand. CSR is traditionally driven by a moral obligation and philanthropic spirit which resonates with the policy of the Company.

FOCUS AREAS

The Company, as a part of its CSR initiatives and in pursuance of the requirements of the Companies Act, 2013, proposes to engage and work mainly in the following focus areas:

- (a) promoting education, including special education and employment enhancing vocation skills especially among children and women and livelihood enhancement projects.
- (b) training to promote rural sports and nationally recognised sports for youth development.
- (c) ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water.
- (d) promoting health care and sanitation
- (e) such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by the Board from time to time.

OUR VISION

1. The Company is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact on the society it belongs to.
2. The Company is committed towards improving the quality of lives of people in the communities in which it operates as society is an essential stakeholder and the purpose of its existence. The Company believes that giving it back to society through CSR activities is its moral responsibility.
3. The Company aims to fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all the Rules and Regulations on CSR.

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APPLICABILITY OF THE CSR POLICY

1. The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as "the Act" in this Policy) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereby referred to as "the Rules") notified by the Ministry of Corporate Affairs, Government of India and Schedule VII of the Act.
2. This Policy shall apply to all CSR initiatives and activities taken up by the Company at various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefit of different segments of the society, specifically the deprived and underprivileged community.

OBJECTIVE OF THE CSR POLICY

- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To take up programmes that benefit the communities in and around its work centers and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- To generate community goodwill for the Company and help reinforce a positive and socially responsible image of Company as a good corporate citizen of the Country.

COMPOSITION OF CSR COMMITTEE

Being a Private Limited Company, the Company is not required to appoint Independent Directors and accordingly two directors consisting of the Managing Director and Joint Managing Director of the Company have been appointed as the Members of the CSR Committee by the Board of Directors, as per the following composition:

S. No.	Name of the Member	Designation
1	Ani Kumar Singh	Chairman
2	Vinod Kumar Singh	Member

The Company Secretary of the Company shall act as the Secretary to the CSR Committee.

MEETINGS OF CSR COMMITTEE:

The CSR Committee shall hold meetings as and when required in compliance of the applicable provisions of the Companies Act, 2013, to discuss various issues concerning the implementation of the CSR Policy of the Company. The Committee shall periodically review the implementation of the CSR Programmes and issue necessary directions from time to time, to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy.

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It would be the responsibility of the CSR Committee to periodically keep the Board apprised of the status of the implementation of CSR activities.

ROLE OF THE CSR COMMITTEE:

The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of the CSR Policy, which shall include the following, namely:-

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

RESPONSIBILITIES OF THE BOARD

The Board shall:

- Review and approve the CSR Policy, including amendments thereto, as may be required from time to time, after considering the recommendations made by the CSR Committee.
- Display the CSR Policy and other necessary details on the Company's website pursuant to rule 9 of the CSR Rules.
- Ensure implementation of the activities under CSR through Apco CSR Trust and/or other authorized NGO/Trust/Section 8 Companies.
- Ensure expenditure of requisite amount on CSR activities every year as per law.
- Disclose the reasons for not spending the CSR amount, if any, in the Annual Report to the Shareholders of the Company.
- Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board and the Chief Financial Officer/ Finance Head shall certify the same.
- Approve transfer of unspent CSR Amount related to ongoing project(s), if any, in accordance with the law.

IMPLEMENTATION, IDENTIFICATION AND SELECTION OF PROGRAMMES

The programmes would be identified as per the requirement in the community/villages/schools etc. Independent professional agencies may be engaged in conducting need-based assessment for programmes, wherever required.

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PARTNERSHIPS TO IMPLEMENT THE PROGRAMMES

Collaborative Partnerships may be formed with the NGOs, Government Agencies, Village Panchayats and other like-minded stakeholders. This would help widen the Company's search and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

CRITERIA FOR IDENTIFYING EXECUTING PARTNERS

In case of CSR projects/programmes execution by NGOs/Voluntary organizations, the following minimum criteria is recommended:

1. The NGO / Agency must have approval from the Ministry of Corporate Affairs (MCA) to undertake CSR activities in India.
2. The NGO should be a registered public Trust or a Society having a duly executed Trust Deed / Memorandum of Association.
3. It should have registration Certificates under Section 12A, Section 80G, etc. of the Income Tax Act, 1961 and other applicable registrations.
4. It should have a Permanent Account Number (PAN).
5. Last 3 years audited statement of accounts.
6. The antecedents of the NGO / Agency are verifiable / subject to confirmation.
7. Should have a team of professional expertise and system to maintain Books of Accounts and to generate necessary Reports on the supported programmes.

Provided that in case of any amendment in the Act/the Rules specifying any criteria for implementing agencies, the same shall be applicable in addition to the above criteria (to the extent applicable).

Provided also that the CSR Committee/Board may waive one or more of the above criteria on a case to case basis.

MONITORING AND EVALUATION MECHANISMS

Monitoring and Evaluation Mechanisms include the following, one or more of which shall be implemented based on the size, quantum and tenure of the CSR programmes:

1. To ensure effective implementation of the CSR programmes undertaken at each work center, a monitoring mechanism will be put in place by the CSR Committee. The progress of CSR programmes under implementation at work center will be reported to the head office on a regular basis.
2. Feedback would also be obtained and documented from the beneficiaries and influential local leaders by the respective work centers about the programmes, as and when required.
3. Field visits would be conducted by the respective CSR teams to ensure the progress of the programmes at their work centers. The visits would be informed and surprised also.
4. Partners would be required to report narrative as well as financial updates on a quarterly/annual basis in the format mutually decided.
5. CSR Impact Assessment, wherever applicable, would be conducted on a periodic basis,

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through an independent professional agency, especially on the strategic and high value programmes.

The Board of Directors of the Company shall also monitor the CSR Programmes / Projects in such manner and on such periodicity, as may be required by the Act / the Rules.

CSR ANNUAL ACTION PLAN (CAAP)

The CSR Committee shall formulate and recommend to the Board of Directors, a CAAP in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism etc. The Board of Directors may approve the CAAP with such further conditions as it deems fit and further alter CAAP at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

INFORMATION DISSEMINATION

1. Appropriate documentation of the CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.
2. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

POLICY REVIEW

Further, the Board of Directors may revise/ amend this CSR Policy based on the recommendations made by the CSR committee or to bring the same in line with the guidelines or amendments issued/notified from time to time, by MCA or other Government authorities on the subject.
