

# Signpost India Limited

## CORPORATE SOCIAL RESPONSIBILITY POLICY

CSR Policy under the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

## SIL CSR POLICY

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### 1. PREFACE

Signpost India Limited (SIL) is committed to improve the lives of the society in which it operates. The Company believes in “serving society” and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society. We understand that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company’s responsibilities towards the community.

### 2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of SIGNPOST INDIA LIMITED (“the Company”) was constituted by the Board of Directors of the Company at their meeting held on 16<sup>th</sup> Day of April 2018.

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The composition of the said Committee comprises of four directors as the Independent Directors viz.

1. Mr. Shripad Prahlad Ashtekar, Chairman
2. Mr. Rajesh Narayanprasad Batra, Member
3. Mr. Dipankar Chatterjee, Member
4. Mr. Sushil Premprakash Pandey, Member

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.

### 3. OBJECTIVE OF THE POLICY

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility) Rules 2014, and such other rules and regulations, circulars and notification as may be applicable and as amended from time to time and will inter alia , provide for the following .

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedure and reporting.
- Creating opportunities for employees to participate in socially responsible.

#### 4. DEFINITIONS

- A. Corporate Social Responsibility (CSR) means and includes but is not limited to Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
- B. CSR Committee means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- C. CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
- D. Net Profit means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
  - i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
  - ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

Unless the context otherwise requires, the definitions mentioned in the Section and Rules of the Companies Act 2013, shall apply to this CSR Policy.

#### 5. CSR ACTIVITIES

CSR intends to:-

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 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.
- 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 .
- 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.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
- Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

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- Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
- Rural development projects.
- Slum area development.

### 6. FOCUS AREA

- DRINKING WATER: - Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- EDUCATION:- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; monetary contribution to academic institutions for construction of classroom, construction of hostels for students and for their Education.
- HUNGER, POVERTY, MALNUTRITION AND HEALTHCARE:-Signpost India will work with various non- profit organizations that will run mid day meal program in schools across India and may establish kitchens that provide meals to school children.
- RURAL DEVELOPMENT: - We believe that the well being of the people living in rural area ensures Sustainable Development. We will work in local Administrations to achieve community development goals.
- 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 .

### 7. UNDERTAKING CSR ACTIVITIES

Signpost India Private Limited will undertake its CSR activities approved by CSR committee and Board of Directors.

### 8. ROLE OF THE CSR COMMITTEE

CSR Committee members shall meet at least twice in a year to discuss and review the CSR activities and policy. Two (2) members shall constitute a quorum for the

Committee meeting. Role of Committee Members are as follows: -

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- b. Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- c. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- d. Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- e. Monitor the implementation of the CSR Policy from time to time.

- f. Such other functions as the Board may deem fit.

#### 9. ROLE OF THE BOARD

- a. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company
- b. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- c. The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;
- d. Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates,
- e. Specify the reasons for under/ not spending the CSR amount in the Board's Report.

#### 10. CSR ACTIVITIES FOR IMPLEMENTATION:

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013. The CSR activities will be driven by a dedicated project team under the guidance and support of the CSR Committee and the Board.

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyze the basic need of the community/ area in which the Organisation operates or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

After prioritizing the activity, the Committee shall finalize the detail implementation project/program, including planning for expenses against the total budget allocated for CSR activities.

For implementation of agreed CSR activity, the committee may constitute an implementation team or authorised any of the Department of the Company to organize for the implementation of the CSR activity. The team or respective department shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

11. CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further work to do in the concern CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

The Board of Directors shall constantly monitor the implementation of the CSR activities.

Periodic reporting on the CSR activities, execution modalities, implementation schedules etc., to the CSR Committee shall be in the following format which may be amended by the CSR Committee from time to time.

Activity		New or Ongoing	Target Sector	Target Group	Geographical area		Responsible party	Allocated Expenditure
Currently undertaken	Proposed to be undertaken				Within Local area	Other state or district where undertaken		

12. CSR EXPENDITURE

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediately preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and

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recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

### 13. DISCLOSURE OF THE POLICY

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

### 14. CSR REPORTING

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

### 15. CHAIRMAN OF THE MEETING

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

### 16. MINUTES OF THE COMMITTEE MEETING

Proceedings of all meetings shall be recorded in Minutes and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

### 17. MISCELLANEOUS

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

### 18. EFFECTIVE DATE

This policy is effective from 01/04/2018.



