



**SAURASHTRA FREIGHT PRIVATE LIMITED  
CSR POLICY**

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Introduction**

Company seeks to formulate a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

### **CSR Object**

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behavior which is:

- (a) consistent with sustainable development and welfare of society,
- (b) takes into account the expectations of stakeholders,
- (c) is in compliance with applicable law, and
- (d) is uniformly integrated and practiced throughout the Company.

### **Scope**

In furtherance of its CSR objects, the Company proposed to meet its CSR obligation through a combination of one or more of the following:

- (a) CSR activities implemented by the Company on its own,
- (b) CSR activities implemented by the Company through own trust/society or trust/society established by the government,
- (c) CSR activities of the Company through an external trust/society

## 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 Saurashtra Freight Private Limited 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 two 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 its Trust or Society; 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 of the Companies Act. Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR expenditure.

9. "CSR Policy" shall mean the Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company in accordance with Schedule VII to the Act.
10. "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.
11. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
12. "Group Companies" means Companies includes Companies promoted by the Company or its promoters
13. "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.
14. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.
15. "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.
16. "Thrust Areas" shall have the meaning as ascribed to them as per provision of the Policy.
17. "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.

Company demonstrates care for the community through its focus on education and skill development, health and wellness and environmental sustainability including biodiversity, energy and water conservation.

CSR may include other activities as laid down in Schedule VII of the Companies Act, 2013 more briefly described in the below mentioned thrust areas.

**Thrust Areas:**

While the Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII of the Act, it proposes to undertake all the relevant activities on priority basis in the following Thrust Areas:

- i. 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;
- ii. to provide support for any and all category of health related issues including but not limited to terminally and/or critically ill patients, supporting Cancer/HIV/Brain Injury patients;
- iii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iv. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- v. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, 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];
- vi. 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;
- vii. measures for the benefit of armed forces veterans, war widows and their dependents;
- viii. training to promote rural sports, nationally recognized sports, paraolympic sports and Olympic sports;

- ix. 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;
- x. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
- xi. rural development projects;
- xii. 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.
- xiii. disaster management, including relief, rehabilitation and reconstruction activities.

#### **Identification of CSR Projects:**

1. CSR Projects needs to be identified and planned for approval of the CSR Committee 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. 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 Company may engage external professionals/firms/agencies if required, for the purpose of identification of CSR Projects.

#### **Implementation of CSR Projects**

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

##### **I. Direct Method**

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 Company 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 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.

## **II. 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
  - The Agency has an established track record of at least three years in undertaking similar programs or projects, and
  - 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 at least once in a month.
2. The Company may collaborate with other companies 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.

## **Monitoring**

Monitoring process for CSR Projects shall include the following:

Evaluation of Planned Progress V/s Actual Progress

Actual expenditure V/s expenditure as per Approved Budget

## **Fund allocation and others**

### **A. Fund allocation**

1. The Company, during every Financial Year shall attempt 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 or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its CSR Policy.
2. The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
  - i. Identified CSR Projects
  - ii. CSR expenditure
  - iii. 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. Mr. Raghav Agarwalla, Managing Director and Mr. Sumit Maheshwari, Director of the Company be and are hereby jointly or severally 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 including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the company in one financial year.

#### **Governance**

The Company through a registered trust or a registered society can undertake CSR activities as per the provisions of Companies Act, 2013. Accordingly, such other entity will work closely with and support the Board and CSR committee in implementing CSR activities of the Company, assist the CSR Committee in identifying the areas of CSR activities, programs and execution of initiatives as per defined guidelines. It will also assist the Board and the CSR Committee in reporting the progress of deployed initiatives and making appropriate disclosures (Internal/ External) on a periodic basis.

#### **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**

At SFPL, our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR projects undertaken. The committee will report to our Board of Directors. Any change in the constitution of CSR Committee may be done as per recommendation of the Board of Directors on timely basis. The Committee consists of following Directors:

Mr. Navin Kumar Sinha, Chairperson and Director

Mr. Raghav Agarwalla, Managing Director

Mr. Sumit Maheshwari, Director

### **2A. Implementation and monitoring committee**

Internal CSR committee will work under the guidance of The Corporate Social Responsibility Committee. The Internal CSR committee constitute following people:

1. Ms. Kanika Arora, Vice President-Finance & Accounts
2. Mr. Shivang Kagzi, Vice-President
3. Mr. Debashis Sethi, Vice President- Procurement & Corporate Affairs

#### **The responsibilities of the Committee are:**

1. The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet at least once a year.
2. 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.
3. The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting of the following year for Board review and finalization.
4. The CSR Committee shall place before the Board 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.
5. The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

#### **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.