

Construction Skill Development Council of India

CSR Policy

Corporate Social Responsibility Policy
(Required under the Companies Act, 2013 and Rules made thereunder)

1. Policy Framework

- The President of India on August 29, 2013 provided assent to the Companies Act, 2013 (the “Act”).
- Section 135 of the Act which stipulates the provisions relating to Corporate Social Responsibilities for companies was notified on February 27, 2014 and became effective April 1, 2014 “CSR Provisions”).
- The Companies Act, 2013 has brought greater emphasis on CSR with rules that provide guidance on minimum CSR spend, focus areas, implementation mechanism and reporting to the members of the company.
- Corporate Social Responsibility (CSR) is the way and mean through which corporates can repay the obligations made by the Society by contributing the resources in its various forms as required for the efficient operation of the Business.
- Corporate Social Responsibility is strongly connected with the principles of sustainability. Organization should make decisions based not only on financial or operational factors, but also on the social and environmental consequences.
- Therefore, it is the core corporate responsibility of Construction Skill Development Council of India (“CSDCI” or “the Council”) to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

Construction Skill Development Council of India (“CSDCI” or “the Company”) falls within the scope of the aforesaid CSR Provisions.

2. Title and applicability statement

- This document describes the Corporate Social Responsibility Policy (“CSR policy”) of Construction Skill Development Council of India (“CSDCI” or “the Council”). It includes CSDCI’s vision, mission and other relevant attributes of Corporate Social Responsibility.
- The CSR policy has been formulated in accordance with Section 135 of the Companies Act 2013 and the CSR Rules and the relevant amendments / notifications / circulars.
- The CSR policy shall apply to all CSR programs of CSDCI.

3. Objective and Purpose Statement

The key purpose of this Policy is to:

- Outline the development areas in which the Council shall get involved in.
- Define governance structure for CSR management within the Council.
- Serve as a guiding document aiding in identification, execution and monitoring the CSR projects.
- Describe the treatment of surpluses from CSR activities.

4. Applicability

CSR provisions are applicable to Construction Skill Development Council of India which are mandated with the CSR expenditure obligations as per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

5. CSR Focus Area

This Policy applies to all CSR projects that will be undertaken by Construction Skill Development Council of India and shall fulfil all the requirements of Section 135 of the Companies Act, 2013.

The Council is hereby devoted to direct its CSR resources, to a reasonable extent, for improving the quality of life of the people by focusing on the social causes, including but not limited to the following areas:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swacch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. 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;
- iv. 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;
- v. 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 arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;

- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or PM CARES Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, and other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural Development Projects; and
- xi. Slum area development
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.
- xiii. Activities related to promotion of road safety.
- xiv. Activities for carrying out awareness campaigns / programmes or public outreach campaigns on COVID-19 Vaccination programme.

EXCLUSIONS:

The following activities, however, are excluded from CSR activities-

- a) Activities undertaken in pursuance of normal course of business activities of the CSDCI.
- b) Any activity undertaken by the CSDCI outside India except for training of Indian Sports personnel representing State or Union Territory at national level or India at international level.
- c) Contribution of any amount, directly or indirectly to any political party.
- d) Activities for the benefit of employees of the company.
- e) Activities supported by the companies on sponsorship basis for deriving marketing benefits for its services or products.

- f) Activities carried out for fulfilment of any other statutory obligation under any law in force in India.

6. Undertaking CSR activities

1. CSDCI will undertake CSR activities directly or indirectly by itself or through-
 - a registered public trust or society registered under section 12A and 80G of the Income tax Act or a company incorporated under section 8 of the Companies Act, 2013 established by CSDCI or
 - other registered public trust or registered society registered under section 12A and 80G of the Income tax Act or a company incorporated under section 8 of the Companies Act, and having an established track record of at least three years in undertaking similar activities, who are engaged in activities or programs which fall within the purview of CSDCI CSR Policy and areas of focus.
 - a company established under section 8 of the Companies Act or a registered trust or a registered society established by the Central Government or State Government.
 - any entity established under an Act of Parliament or a State Legislature.
2. CSDCI may collaborate with other companies for undertaking projects and programmes or CSR projects or programmes in such manner that the CSR Committee of the respective companies are in a position to report separately on such projects or programmes.

7. Governance Structure:

A governance structure at CSDCI is responsible for implementing and administering CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013. The Board of Directors of the Council who are ultimately accountable for the CSR projects undertaken by CSDCI. CSDCI has constituted a CSR Committee at the Board level.

8. Responsibility of the Board of Directors

The responsibility of the Board of Directors shall be as under:

- a) To approve the CSR Policy & disclose the contents of such policy in its report and also place it on the Company's website;
- b) To ensure that the activities proposed in the CSR Policy are undertaken;
- c) To ensure that the Council spends, in every financial year, at least 2% of average net profits of the Council made during the 3 immediately preceding financial years (computed in accordance with the provisions of the section 198 of the Companies Act, 2013), as required under Section 135 of the Companies Act, 2013 & Rules made thereunder;
- d) If Council fails to spend the sum as mentioned above, then the Board shall, in its Report specify the reasons for not spending the amount.

9 CSR Committee

The Board of CSDCI has constituted Corporate Social Responsibility Committee (the "CSR Committee") in line with Section 135 of the Companies Act, 2013 (the "Act") and Companies (Corporate Social Responsibility Policy) Rules. The CSR Committee consists of following members of the Board:

1. Mr. S. K. Basu - Chairman
2. Mr. Ajai Kumar Singh Chauhan - Member
3. Ms. Jancy Mathew - Member

The responsibilities of CSR Committee shall be as follows:

- To Formulate CSR Policy and annual action plan;
- To review and approve annual budgets with respect to CSR programs;
- To review the manner of execution of CSR programmes or projects;

- To review the CSR activities of the Company;
- To Monitor the implementation of CSR Policy;
- To recommend to the Board, modifications to CSR Policy as and when required;
- To appraise the Board the CSR expenditure done during the year;
- To ensure that CSDCI corporate website displays the approved CSR policy of the company;

9.1 Meetings of CSR Committee

- The CSR Committee shall meet at least once in six months. The meeting shall be held either at the registered office of the Council or any other place, as may be decided by the members.
- Presence of a minimum of two members of the committee shall constitute the quorum of the meeting.

9.2 Notice of Meeting

At least three days advance notice of every meeting, specifying the day, place and timing of Meeting and the general nature of the business to be transacted there at shall be given to the members. In urgency, a meeting may be convened by shorter notice.

10. CSR Budget

The total budget for the CSR projects in each financial year will be decided by the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. The CSR Committee shall propose to distribute the budget among the Areas to Emphasize or such of them as the CSR Committee may deem fit in each financial year, in such proportion and in a manner that meets the objectives of the CSR Policy.

For any reason if the CSR Committee is not able to follow the allocation agreed on in any of the Areas to Emphasize described above, the same shall be utilized in such other Areas to Emphasize as the CSR Committee may recommend with the reasons therefor, and the CSR Committee may approve.

11. Implementation Process

11.1 CSR Contributions:

The Council will endeavor to contribute and spend at least 2% of the average net profits of the Council made during the three immediately preceding financial years or such amount as may be recommended by the CSR Committee from time to time in pursuance of this Policy.

12. Compliance, Monitoring and Reporting

12.1 Compliance

CSR Committee will plan, implement, monitor and manage all CSR projects & activities for CSDCI and will work closely with the CSR Committees of the Board of the Council.

The CSR Committee will formulate implementation plans for the projects specifying the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Responsibilities and authorities for implementation.
- Results expected to be achieved post implementation

12.2 Monitoring

The CSR Committee will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports etc. The Committee shall periodically report to the CSR committee regarding the financial and programmatic progress of CSR

projects. Mechanisms to track data and monitor projects will be established to ensure the transparency and efficiency of the implementation process. The projects will be evaluated against the milestones defined in the implementation plan of the project.

12.3 Reporting

The CSR Committee of the Board, based on reports presented by the CSR Team, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Companies (Corporate Social Responsibility Policy) Rules. The CSR Committee shall also submit a responsibility statement to the Board that the implementation and monitoring of the CSR Policy is in compliance with the approved CSR Policy of the Company.

The CSR Policy and Projects on being approved by the Board shall be displayed on the website of the Council and any modifications carried out from time to time shall also be updated on the website of the Council respectively.

13. Effective Date

The CSR Policy shall be effective from the date of its approval by the Board of Directors. Provided, however, that all the acts done before formulation CSR Policy shall stand ratified and covered under this policy.

14. Treatment of Surplus

Any surplus generated from CSR projects undertaken by CSDCI shall not form part of profit of the Council and shall be ploughed back into to same project or shall be transferred to the Unspent CSR Account. Such fund transferred to Unspent CSR Account shall be spent in pursuance to CSR Policy of CSDCI and annual action plan or otherwise transfer such surplus amount to a fund specified in Schedule – VII, within a period of six months of the expiry of the financial year.

15. CSR Amount excess Spent

Where a CSDCI spends an amount in excess of the requirement as provided in section 135 of the Companies Act, 2013 in any year, such excess amount may be set off against the CSR amount to be spend in immediate succeeding three financial years. Board shall pass a resolution to set off excess expenditure as mentioned above. Such excess expenditure amount shall not include any surplus arising out of CSR activities.

16. Administrative overheads

The administrative overheads are restricted to 5 per cent of the total CSR expenditure of the Council for the financial year.

17. Amendments to the CSR Policy

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision/amendment in the CSR Policy shall be effective only after approval from the Board of Directors.

THIS CSR POLICY APPROVED ON BEHALF OF BOARD OF DIRECTORS
ON THIS 31st DAY OF March 2021 AT NEW DELHI

SD/-

Authorized Signatory