

SOUTH WEST PINNACLE EXPLORATION LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. SHORT TITLE & APPLICABILITY

This Policy describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. Titled as the "**South West Pinnacle Exploration Limited CSR Policy**", this Policy has been prepared keeping in mind the Company's business ethics and the requirements of the Companies Act, 2013 (hereinafter called as "the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014, notified by the Ministry of Corporate Affairs vide Notification dated 27th February, 2014. Notwithstanding any provision mentioned in this Policy, any change thereto with respect to the legal framework of Corporate Social Responsibility as specified in Section 135 of the Companies Act, 2013 read with relevant rules, shall have effect including the statutory amendment and modifications thereto in the legal provisions.

2. DEFINITIONS

- 2.1 '**Act**' means the Companies Act, 2013;
- 2.2 '**Board**' means the Board of Directors of South West Pinnacle Exploration Limited;
- 2.3 '**Company**' means South West Pinnacle Exploration Limited;
- 2.4 "**Corporate Social Responsibility (CSR)**" means and includes but is not limited to
 - (i) Projects or programs relating to activities specified in Schedule VII to the Act or
 - (ii) Projects or programs relating to activities undertaken by the board of directors of a company (Board) in pursuance of recommendations of the CSR Committee of the Board as Per declared CSR Policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.
- 2.5 '**CSR Expenditure**' shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities specified in this policy as approved by Board on recommendation of CSR Committee;
- 2.6 '**CSR Committee**' means the committee constituted under the provisions of Section 135 of the Act;
- 2.7 '**Directors**' shall mean the directors of the Company;
- 2.8 '**Net profit**' means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act and Rules Made thereof.

3. CSR VISION STATEMENT & OBJECTIVE

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

The main objective of the Policy is to establish the basic principles and the general framework of action for the management to undertake and fulfil its corporate social responsibility.

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition:

The Corporate Social Responsibility Committee of the company consists of three directors amongst whom one is Independent Directors. The Composition of the CSR Committee as follows:

Sl. No.	Name of Chairman/ Member	Category	Designation
1.	Mrs. Meenakshi Anand	Non-executive / Independent	Chairman
2.	Mr. Vikas Jain	Chairman & Managing Director	Member
3.	Mr. Piyush Jain	Joint Managing Director	Member

Meetings: The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would thrive to hold at least one meeting in a financial year.

Quorum: The quorum for a meeting of the Committee on CSR shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

Role of CSR Committee

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- To monitor the Corporate Social Responsibility Policy of the company from time to time.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

The Board of Directors shall endeavor that the Company spends 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

5. CSR BUDGET/CSR SPEND

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programs, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on activities laid down in this Policy.

6. CSR ACTIVITIES

The activities that may be included by the company in its Corporate Social Responsibility Policy as prescribed under Schedule VII of the Companies Act, 2013 are as follows:

- 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, 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;
- 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 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.

7. CSR EXPENDITURE

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in India only, shall amount to CSR Expenditure in accordance with the provisions of sub-section (5) of section 135 of the Act.

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and regions where the Company operates.

All expenses and contributions for CSR activities will be made after obtaining subsequently approval from the Chairman of the CSR Committee in the beginning of financial year, which would then be placed before the forthcoming CSR committee for noting and record. The expenses so incurred during the year shall be within the overall budget approved in the beginning of the year by the committee. The detailed expenditure chart shall be got vetted by the committee at the end of the respective financial year.

8. IMPLEMENTATION PROCESS

- a. Identification studies by the Senior Management/ professional institutions/agencies to identify the CSR program in line with the Policy;
- b. Internal need assessment by cross functional teams at the local level;
- c. Receipt of proposals/requests from charitable institutions and NGOs;
- d. Suggestions from the Board of Directors/senior management level;
- e. Implementation of CSR program.

9. CSR PROGRAMME(S)

- 9.1 CSR programme(s) will be undertaken by various work centres i.e. Corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified Project/ Program.
- 9.2 The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.

10. MONITORING AND FEEDBACK

- a. To ensure effective implementation of the CSR programs undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head.

- b. The progress of CSR programs under implementation at work centre will be reported to corporate office on a monthly basis.
- c. The report on progress on the CSR program undertaken by the Company will be put forward to the CSR Committee with full details of cost incurred and results achieved on a regular basis.
- d. Work centres and zonal office will try to obtain feedback from beneficiaries about the programs implemented at the area.
- e. Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.
- f. CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder.

11. Reporting Framework

Sl. No.	CSR Project or Activity Identified	Sector which the project is covered	Project or Programs 1) Local Areas, 2) Specify the state and district where projects or programs was undertaken	Budget (Project or Program)	Amount spent on Project or Program a)Direct Expenditure b)Overheads	Cumulative Expenditure	Amount Spent Direct or through Agency

12. DISCLOSURES

The Board's report, being a part of the Annual Report shall disclose the composition of the Corporate Social Responsibility Committee, the contents of such policy and the CSR initiatives undertaken. This CSR Policy shall also be placed on the website of the Company.