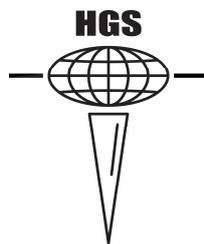
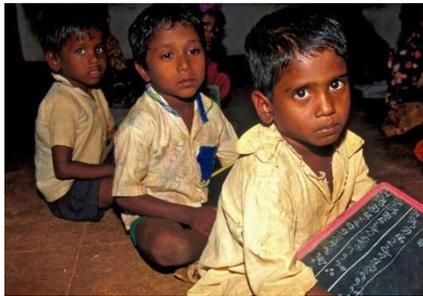


A better world for all...



HGS (INDIA) LIMITED

Corporate Social Responsibility

Commencement Report 2014

Executive Summary

PREAMBLE

The provisions of Section 135 read with Schedule VII of Companies Act, 2013 along with rule Companies (Accounts) Rules, 2014 state that any company that has earned profits before tax averaging Rs. Five Crores or more in the last three years is required to spend 2% of its annualised profits on CSR activities. These provisions are applicable to HGS (India) Ltd (HGSI) due to its robust profitability. This 2% annual spend is required to be disbursed through the constitution of a Corporate Social Responsibility Committee from Board members of HGSI, consisting of three or more directors, out of which at least one director should be an Independent Director.

The HGSI Board has constituted a Corporate Social Responsibility Committee of comprising of:

1. Mr. Anand Narain Bhatia, Independent Director, Chairman
2. Mr. Anil Dass, Managing Director, Member
3. Mrs. Malti Sen, Independent Director, Member
4. Mr. Samir Gugnani, Director, Manufacturing, Member
5. Mrs Aneeta Bhatia has been requested to volunteer & oversee execution of the projects & advise the Committee on efficient use of the funds.

The CSR Committee has decided that in the Financial Year of 2014-15, HGSI will focus on the key areas of Rural Sanitation, Preventive Health care for Rural Women and Basic Education for Children.

Executive Summary

Sanitation and education are the basic rights of every individual. The Committee has decided to concentrate on the following issues which are the need of the hour:

Open Defecation

Open Defecation is a big problem faced by our society. Despite the efforts from our Government and various NGOs, defecation in the open has been surprisingly resistant to solutions and is still posing a big threat. It can lead to various numbers of fatal diseases, stunted physical development and impaired cognitive function. A report by WHO-UNICEF says that 58 percent of Indians do not have access to proper sanitation & still defecate in the open. HGS has decided to contribute to tackling this problem by building Community Toilets in rural areas in the NCR & surrounding areas.

For this purpose HGS contacted Sulabh Sanitation & Social Reform Movement for their sheer experience and expertise developed over the years in tackling this particular issue. HGS and Sulabh have surveyed two villages of Jatpura & Makhimpur in district Bulandshahar. In consultation with the Gram Pradhans, 7 locations have been identified where community toilets could be constructed primarily for women & children. Sulabh has provided different toilet models based on low water maintenance & cost effective construction. Furthermore, after construction Sulabh will also conduct inspection and surveys about the usage and maintenance of these Community Toilets.

Rural Sanitation

Rural Sanitation is yet another area of concern. Lack of sewage and waste disposal in rural areas poses a threat to the health of people living in rural areas of India. Liquid and solid waste from households and the community, leads to the spread of infectious diseases if not managed properly. Improper waste disposal causes all types of pollution in air, soil and water. Indiscriminate dumping of wastes contaminates surface and ground water supplies. Such waste dumping sites become the breeding ground for insects, rodents and mosquitoes, and lead to spreading of diseases like cholera and dengue. HGS has decided to build sewage systems around Manesar, Haryana.

The Society for Service to Voluntary Agencies (SOSVA) which has been working with underprivileged and marginalized groups for the past 27 years has been contacted for this project. In coordination with SOSVA and the Gram Panchayats, certain village areas have been identified which are in need of sewage systems and other basic amenities like water tanks and pipelines etc.

Preventive Health Care

Women's health in India can be examined in terms of multiple indicators, which vary by geography, socioeconomic standing and culture. Most women in rural India do not have access to proper medical facilities for which gender bias can be considered a major culprit. Lack of medical facilities for women has resulted in malnutrition, morbidity and poor reproductive & mental health in the underprivileged sections of our society,