

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

COMMITTEE NAME	COMPOSITION		
	NAME	DESIGNATION	CATEGORY
Corporate Social Responsibility Committee	Mr. Babulal Bafna	Chairman	Non-Executive Independent Director
	Mr. Daulat Jain	Member	Managing Director
	Mr. Amit Jain	Member	Whole-time Director

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (CSR) builds a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit. Over time it has become an integral part of business. The key objective of Ashika is to help society in large, sustainable livelihoods and alleviate poverty, promote education, fight against hunger, provide medical relief, women empowerment.

SHORT TITLE & APPLICABILITY

This is the Corporate Social Responsibility Policy ("CSR Policy") for the Company as required under the Companies Act, 2013 (hereafter referred to as "the Act"), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and other directions and clarifications issued from time to time (collectively referred to as the "CSR Regulations"). The CSR Policy lays down broad guidelines and principles for the Company's activities in the sphere of corporate social responsibility undertaken in India. This policy, which encompasses the company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the "ASBL CSR Policy". This Policy shall be applicable to all CSR initiatives undertaken by the Company in pursuance of the requirements of Section 135 and Schedule VII of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force).

This Policy is revised w.e.f. 4th February, 2021 in accordance with the Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020 and in accordance with Companies (Corporate Social Responsibility) Amendment Rules, 2021 dated 22nd January, 2021, issued by MCA.

CSR VISION

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 fulfill its corporate social responsibility.

CSR MISSION

The main mission behind CSR is to ensure socio-economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves.

CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The board of directors of ASBL (the "Board") have formed a Corporate Social Responsibility Committee (the "CSR Committee") in line with Section 135 of the Companies Act, 2013 (the "Act") and rules made thereunder.

The Committee has been formed pursuant to section 135 of the Companies Act, 2013 satisfying the requirement of having minimum of 3 Directors out of which one Director is Independent and also the chairperson of the committee. Committee meets as and when required.

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The Board may reconstitute the Committee time to time subject to the approval of the Board.

ROLE OF CSR COMMITTEE

The role of CSR Committee is:

- a. 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;
- b. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- c. To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d. 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.
- e. The Corporate Social Responsibility Committee of the Board is responsible for formulating and recommending to the Board an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken, if any. They also have the power to alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- f. The CSR Committee shall ensure that the Company treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

FUND ALLOCATION

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, 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.

The Company may contribute to registered trusts/ societies towards its corpus for projects approved by the Board. The CSR Committee will recommend the CSR budget to the Board annually, for its approval and for effective execution.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent then such an unspent amount will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year and such amount shall be spent by the Company in pursuance of its' CSR obligation within a period of three financial years from the date of the transfer to the unspent CSR account.

For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII. Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

The Board of Directors will satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer will certify the same to that effect.

CSR THROUGH IMPLEMENTING AGENCIES - REGISTERED TRUST, SOCIETY, OTHERWISE

The Board of Directors/Committee may decide to undertake CSR activities approved by the CSR Committee, through a registered trust or a registered society, registered under Section 12A and 80G of Income Tax Act, 1961 or a company established by Ashika or its holding or subsidiary or associate or Group company under section 8 of the Act or otherwise, provided that:

i) If such trust, society or company is not established by Ashika or its holding or subsidiary or associate or group company, it shall have an established track record of atleast 3 (three) years in undertaking similar programs or projects.

Provided that in case of any amendment in the Act / the Rules specifying any criteria for implementing agencies, the same shall be applicable to the above criteria (to the extent applicable). Provided also that the CSR Committee may waive one or more of the above criteria on case to case basis.

ACTIVITIES & PLANNING

The Company shall identify projects / activities which will fall in any one or more of the following areas /sector for its CSR spending, in accordance with Schedule VII of Companies Act, 2013:

(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) 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 art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports

(viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;

(ix) (a) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)

(x) rural development projects

(xi) slum area development.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates. All expenses and contributions for CSR activities will be made after approval from the Chairman of the CSR committee, which would then be placed before the forthcoming CSR committee for noting and record. The Chairman will ensure that the expenses/contribution and donation will be in full compliance of the CSR Policy.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

We will strive to implement the aforesaid CSR activities on our own to the extent possible. At the same time, we recognize need to work in partnership with other players also. This would include

- Collaborating with various organization, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialize in the aforesaid activities.
- Contribution to various funds which are aligned with our Vision and Mission

IMPLEMENTATION, MONITORING AND REVIEW MECHANISM

The CSR Committee will play a significant role in ensuring that the CSR policy is embedded in companies operations and the CSR initiatives are in line with this policy. The CSR Committee will be responsible for monitoring approved projects and fund disbursements for such projects. The CSR Committee will put in place a transparent monitoring and reporting mechanism for ensuring effective implementation of the projects, programs and activities.

The CSR Committee has the powers to:

- Seek monitoring and implementation report from organizations' receiving funds.
- Inspect the activities undertaken and ensure information in a timely manner.

- The CSR Committee will monitor and review on a regular basis or as and when required, the progress of CSR initiatives undertaken
- The fund utilization made in projects as approved by the Board, will be certified by the Chief Financial Officer of the Company
- In order to ensure transparency and communication with all stakeholders, the revised CSR Policy and the list of approved projects will be uploaded on the Company's website and made available in the public domain.
- Applicable projects, as required by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall be subjected to an in depth impact study to assess the impact created through the project.
- In case of deviation in implementation as defined in the annual action plan, such changes will be approved by the CSR Committee and the Board of Directors of the Company.

Additionally, the Company may empower the members of the CSR Committee to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the committee at its next meeting and shall report to the Board accordingly.

Any or all provisions of this CSR policy may be amended by the Board based on the recommendations of the CSR Committee or in accordance with any statutory guidelines that may be issued from time to time.

CSR ACTIVITIES

The Company shall undertake CSR activities as recommended by the CSR Committee and in accordance with the CSR Regulations, in particular Schedule VII of the Act and the directions and clarifications issued by the Ministry of Corporate Affairs from time to time in this regard. Such CSR activities may be undertaken in collaboration with other companies as may be recommended by the CSR Committee from time to time. The Committee is authorized to approve any modification to the existing CSR activities or to propose any new activity during the relevant financial year. The CSR Committee will determine the monitoring mechanism for CSR initiatives and may employ consultants to monitor the progress on the CSR initiatives of the company.

INFORMATION DISSEMINATION

The CSR Policy will be available in the website of the Company. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

GENERAL

- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government, from time to time.
- The Company reserves the right to modify, cancel, add, or amend any of these Rules.