



## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

### **1. POLICY STATEMENT**

A widely quoted definition by the World Business Council for Sustainable Development states that "Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Atishay Limited ("Atishay"), we believe that Corporate Social Responsibility (CSR) is an integral part of our Company's ethos and one of our core business tenets. As a responsible business corporation, the Company takes pride in activities to address key societal needs at large. We also encourage our employees to volunteer and participate in our CSR building a culture of social responsibility and giving them an opportunity to give back to the communities they live with.

### **2. PURPOSE**

Atishay Limited (herein after referred as "ATISHAY") is committed to its stakeholders – government, investors, shareholders, associates, community, environment, employees and their families – to conduct its business in a responsible manner that creates a sustained positive impact.

The policy is expected to serve the following purpose:-

1. To make significant addition for the upliftment of society so that the social community can be amplified.
2. To promote education & empower women.
3. To uphold the values of good citizenship, through our own behaviour, and by influencing other organizations to behave in a similar way & make a splendid remark in front of the society.
4. To promote good CSR and citizenship practices among our members, officers, associates and partner organizations; providing training and education where appropriate.
5. To oppose unethical business practices and exert pressure to ensure accountability of businesses, for their behaviors.
6. Build active and long-term partnerships with the communities in which we operate to significantly improve social condition of the needy people.



### **3. SCOPE AND APPLICABILITY**

We recognize the need for us as an organization, to behave responsibly within the community. We undertake to be fully accountable for our actions, and to adequately impact-assess all of our activities, to ensure that we are not adversely affecting the environment, community, economy or culture in which we operate.

### **4. ATISHAY CSR COMMITTEE**

The CSR Committee of ATISHAY shall institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company and also help in identifying projects and recommend priorities and approaches, support individual business units to build CSR into their planning process to achieve ATISHAY CSR objectives.

- The CSR Committee shall consist of 3 or more directors out of which 1 shall be an Independent Director and the Company Secretary shall act as Company Secretary of the CSR Committee;
- The Board of the company shall satisfy itself that the funds disbursed to the entities for have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect;
- The CSR Committee shall formulate an action plan and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company (in areas or subject specified in Schedule VII), recommend the amount of expenditure to be incurred on such activities, and monitor the CSR Policy of the company from time to time;
- The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

### **5. TERMS OF REFERENCE**

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company in accordance with the provisions of Section 135 of the Companies Act, 2013, as amended from time to time.
2. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by the Company.
3. Monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time; and
4. Formulate Annual Action Plan and recommend the same to the Board;
5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.



## 6. CSR POLICY

- (a) We envisage three pillars of CSR – economic, social and environmental, which will underpin our CSR policy and practice;
- (b) Our CSR practice will be bench-marked against legal compliance in terms of Employment Rights, Equal Opportunities, Health and Safety, and Environmental Protection such as apply to commercial and public sector organizations, but we fully intend to rise well above this minimum standard;
- (c) We believe that an organisation with sound ethical and accountable practices has a competitive advantage in the modern marketplace, and so investment in the development and implementation of effective CSR practices is cost effective, and legitimate in terms of an organisation's development.

## 7. CSR ACTIVITIES:

ATISHAY CSR activities shall be undertaken by the Company either itself or through a registered trust, society, non-government Organization engaged in the activities as proposed in the CSR Policy. ATISHAY will contribute/support financially or otherwise, to the initiatives / activities / programmes undertaken by the Organization/institutions. The CSR activities covered the following areas or subject as specified in Schedule VII of the Act as amended from time :-

1. Eradicating hunger, poverty and malnutrition, 'promoting health care including preventive health care' and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. 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;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promoter rural sports, nationally recognized sports, Paralympics sports and Olympic sports;



8. 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;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.;
10. rural development projects;
11. 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.]
12. Disaster Management including relief, rehabilitation and reconstruction activities .

Provided that

- 1) Contribution of any amount directly or indirectly to any political party shall not be considered as CSR activity;
- 2) CSR activities does not include the activities undertaken in pursuance of normal course of business of a company;
- 3) Any surplus arising out of CSR activities shall not form part of the business profit of the Company.
- 4) CSR activities/projects/programs that benefit only the employees of the Company and their families shall not be considered as CSR activities.
- 5) One -off events such as marathons/awards/charitable contribution/advertisement/sponsorships of TV programmes etc. would not be qualified as part of CSR expenditure.
- 6) Expenses incurred by Companies for fulfilment of any Act/Statute of regulations (such as Labour Laws, Land Acquisition Act, etc..) would not count as CSR expenditure under the Companies Act.

## **8. BUDGET**

The CSR activities as mentioned under point No.6 will be directly funded or supported by ATISHAY as financial contribution towards activities either undertaken by the Company or a registered trust, society, Non-Government Organisation, Foundation's/Institutions corpus /donation.

## **9. CSR EXPENDITURE**

CSR expenditure shall include all expenditure including contribution to corpus for projects or programmes relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of areas or subject as specified in Schedule VII of the Act. Further CSR project or programs or activities undertaken in India only shall amount to CSR expenditure.

It is hereby clarified that any contribution to the corpus of a trust | society | company established under section 8 of the Act would qualify as CSR expenditure as long as: (a) such trust | society | company established under section 8 of the Act is created exclusively for undertaking CSR activities; or [b] where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.



#### **10. TREATMENT OF SURPLUS**

Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. A special bank account, called an Unspent CSR Account to be opened by the company in any scheduled bank, Monitoring and Assessment

Further Company shall spend in every financial year at least 2% of the average netprofit of the Company made during the three immediately preceding financial years.Explanation.—For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.

#### **11. ACQUISITION OF CAPITAL ASSET**

The CSR amount may be spent by a company for the creation or acquisition of a capital assets which shall be held by:

- A company established under Section 8 of the Act or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number;
- Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- a public Authority;

#### **12. CSR REPORTING**

The Board's Report of a company covered under these rules pertaining to financialyear commencing on or after 1<sup>st</sup> day of April, 2019 shall include an annual report onCSR activities at the end of each financial year, giving a full account of the activities / programmes under taken during the year gone by in the prescribed format / annexure.

The Board of Directors of the company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company anddisclose contents in its report and the same shall be displayed on the company's website, if any, as per the particulars specified in the Annexure

#### **13. EXTERNAL AGENCY ASSESSMENT**

The Company may engage the services of external expert agencies, consultancy firms etc. for carrying out any survey, assessment or report with regards to any CSR activity undertaken by the Company.

#### **14. PENALTY FOR NON COMPLIANCES :**

- The company shall be liable to a penalty of twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account as the case may be, or one crore rupees, whichever is less.
- Every officer of the company who is in default shall be liable to a penalty of one- tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account or two lakh rupees, whichever is less.



**15. AMENDMENTS TO THE POLICY**

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc

**16. DISCLOSURE**

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in its Annual Report .

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