

CORPORATE SOCIAL RESPONSIBILITY POLICY

{Pursuant to Section 135 of Companies Act, 2013}

SUSHIL FINANCIAL SERVICES PRIVATE LIMITED

Regd. Office: - 12, HOMJI STREET, FORT, MUMBAI-400 001

CONTENTS

PARTICULARS	PAGE NO.
1. Objective	2
2. Philosophy	2
3. Regulatory Framework	2
4. Definition	2
5. Selection for CSR Programmes	3
6. Implementation	5
7. Governance/Monitoring	5
8. CSR Budget & Expenditure	6
9. Review/Amendments	7

OBJECTIVE:

Corporate Social Responsibility (CSR) is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Sushil Financial Services Private Limited (“SFSPL” or “the Company”) to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

PHILOSOPHY:

All CSR activities shall be driven by the core value of Inclusion. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, employment generation, infrastructure development, promotion of national heritage & culture etc.

REGULATORY FRAMEWORK:

This policy is formulated in accordance with the Companies Act, 2013 together with Rules notified there under (“the Act”) and Schedule VII of the Act provides a framework for the Companies to define the key thrust areas in the CSR space. This Policy also reiterates the Company’s commitment to follow the nine principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs while conducting its business to the extent these are relevant.

DEFINITIONS:

“Corporate Social Responsibility (CSR)” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, **but shall not include the following, namely:-**

- (i) Activities undertaken in pursuance of normal course of business of the company;
- (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);

(v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

(vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

SELECTION FOR CSR PROGRAMMES:

With the advent of the Companies Act 2013 particularly Section 135 of the Act, SFSP shall undertake any of the following activities under its CSR programme:

1. Eradicating hunger, poverty and malnutrition in vicinity of operating projects with a special focus on women, children, those affected by disability, displacement due to natural / manmade disasters.
2. Promoting preventive healthcare, sanitation & hygienic practices & making available safe drinking water including the contribution to Swachh Bharat Kosh set up by the Central Govt. for promotion of sanitation.
3. Promoting inclusive education for all with a special focus on children with disabilities, including opening centers for research in special education / inclusive education & remedial education for the disadvantaged.
4. Special focuses on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators.
5. Promoting gender equality, conduct studies/ research with a special focus on women from vulnerable sections, economically backward & those with disabilities, self-help groups etc.
6. Setting up homes for women, orphans & the senior citizens including special homes for foster care / life care of persons with disabilities in the community.
7. Creating an enabling & accessible environment for reducing inequalities faced by socially and economically backward groups.
8. Assist in skill development by providing education & vocational training, coaching for placement in appropriate employment models thereby empowering the disadvantaged sections towards a dignified life.
9. To establish an educational institute to promote universal design & barrier free infrastructure and to impart training courses to access auditors, students of design, rehabilitation, education, engineering, architecture etc.
10. Ensuring environmental sustainability and ecological balance including preparing communities for disaster management from micro to macro level.

11. Create positive awareness towards the need to adopt measures that lead towards reducing carbon footprints, dependence on fossil fuels and promote alternate energy approaches.
12. Conservation of natural resources by undertaking projects such as rain water harvesting, plantation drives, protection of fauna and flora, agro-forestry, including contribution to Clean Ganga Fund set up by the Central Govt. for rejuvenation of river Ganga, etc.
13. Animal welfare including providing shelter to disabled animals, giving them medical treatment. Pay for animal rescue during floods & cyclones, etc.
14. Protection & Restoration of national heritage and art and culture & making them accessible to all.
15. Setting up of Inclusive Public Libraries, E- Libraries, digitization of libraries, etc.
16. Promotion and development of traditional arts & handicrafts.
17. Measures such as promoting accessibility in their built environments, rehabilitation by aids & appliances, prosthetics, mobility appliances, artificial limbs, etc. 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.
18. Training & Promotion of rural, nationally recognized, Paralympics or Olympics sports, including sponsorships to attend events, quality sports equipment, etc.
19. 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.
20. Contributions or funds provided to technology incubators located within academic institutions approved by the Central Government.
21. Sponsoring and supporting rural development projects.
22. Any kind of Slum Area Development particularly in areas as declared for such purpose by State or Central Government or any other Competent Authority under law for time bring in force.
23. Employee participation is an important part of developing responsible citizenship. Our company encourages and motivates employees to spend time volunteering on issues of social interest.

24. 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.
25. 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).

IMPLEMENTATION:

SFSPL CSR Programmes shall be implemented through any of the following medium:

a) Through Company's own brand name:

While brands are one of core resources for sustainable profit growth, SFSPL believes that these brands, given their consumer connect, credibility and their trust in brands core values, are well positioned to perform a distinct role in spread heading SFSPL's CSR cause. SFSPL would lead some of its CSR programme through its brands to spread awareness, credibility and quick adaptation. These will be designed to make Company's CSR to spend more effective in achieving its goals and reputational benefit which may occur to the Brand will be purely coincidental.

OR

b) Through any other–entity/company/trust/society specified under the rules of Companies Act, 2013 as amended from time to time.

GOVERNANCE/MONITORING:

The Board will have an oversight on the adherence of this policy. The Corporate Social Responsibility Committee ("CSR Committee") of the Board shall comprise of minimum two Directors of the Company. The CSR committee shall work under superintendence and control of the Board.

A) The CSR Committee shall be headed by the Chairman of Board and shall be responsible to:

1. Formulate and approve revisions to the CSR Policy and recommend the same to Board for its approval.
2. Recommend the annual CSR expenditure budget to the Board for approval.
3. Monitor the implementation of CSR projects/Programmes.
4. Monitor the CSR Policy of the Company from time to time.
5. Treat the unspent CSR Amount as per the provisions of Companies Act, 2013 and rules made there under from time to time.
6. Set off the excess CSR amount spent against the requirement to spend under section 135(5) of the Companies Act, 2013.
7. Such other activities as may be specified under Companies Act, 2013 and rules made there under from time to time.

During any year under review, if the CSR expenditure obligation falls below INR 50 lakhs, the functions of the CSR Committee as mentioned above, shall be discharged by the Board of Directors of the Company.

B) ANNUAL ACTION PLAN:

Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014, CSR Committee to formulate Annual Action Plan by including the following:

- a) List of approved CSR projects.
- b) Manner of execution of CSR projects.
- c) Implementation schedules and modalities for fund utilisation.
- d) Monitoring & reporting mechanism.
- e) Details of need and impact assessment, if any

BUDGET:

- a) The Board of SFSPL to ensure that minimum of 2% of average net profit of the last 3 years is spent on CSR initiatives undertaken by SFSPL.
- b) The Board of SFSPL to ensure that the administrative overheads w.r.t. CSR activities shall not exceed **five percent** of total CSR expenditure of the company for the financial year.
- c) The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of annual Budget /Plans.
- d) Within the Budget the allocation towards specific CSR initiatives/projects will be approved /ratified by the CSR committee.
- e) The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.
- f) The budget shall be guided by amendments brought in Companies Act 2013 and rules made there under from time to time.

REVIEW/AMENDMENTS:

The Board may on recommendation of CSR committee, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy.

Version-1 of 2022
Version-Approved by the Board of Directors
Version approved on : 21-01-2022
Recommended By: CSR Committee
Next Review: As and when required