

**CORPORATE SOCIAL
RESPONSIBILITY POLICY
OF
ALANKIT LIMITED**

List of abbreviations used in this Policy:

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| The Act | Section 135, Companies Act, 2013 |
| The Rules | Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 |
| The Company/Alankit | Alankit Limited |
| AAP | Annual Action Plan |
| BOD | Board of Directors |
| CSR | Corporate Social Responsibility |
| FY | Financial Year |
| MCA | Ministry of Corporate Affairs |
| AVERAGE NET PROFITS | Calculated as per Section 198 of Companies Act, 2013 |

Context

Being the responsible corporate citizen, Alankit Limited is committed to society and encourages its employees to serve the community.

This policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The Company's CSR policy has been framed in accordance with Section 135 of the Companies Act, 2013 and the rules framed thereunder. This Policy covers all the internal dimensions of the CSR structure and further captures and sets out the process of implementation of the CSR related activities.

Objective and Guiding Principles

The objective of the policy is to define Alankit Limited's Corporate Social Responsibility (CSR) approach in alignment with Section 135 of the Companies Act, 2013 read with applicable rules as amended from time to time and such amendments shall always be deemed to be incorporated in this policy unless they are not applicable to Alankit Limited.

Policy Statement

By embracing Corporate Social Responsibility (CSR) we will actively look for opportunities to improve our environment and contribute to the well-being of the communities in which we operate.

As per the recommendations of the Corporate Social Responsibility Committee (CSR Committee), the CSR Policy has been formulated and approved by the Board of Directors (BOD).

Scope and Applicability

The CSR policy is formulated in accordance with the requirement of the Section 135, Companies Act, 2013 (referred to as The Act), and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 (referred to as The Rules hereafter).

This policy applies to:

- All the CSR projects /programs undertaken by the Company in India
- All subsidiaries of the Company in India.

Board of Directors (BOD)

- At the apex level, the BOD has the authority to approve the CSR Policy and expenditure under various CSR initiatives while ensuring that the Company spends 2% of the average net profit made during the three immediately preceding financial years (FY).
- The BOD ensures that the CSR Policy, the details of the CSR Committee is displayed on the Company's website.

Composition and Meeting

The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of three or more Directors out of which at least one director shall be an independent director. The CSR Committee shall meet at least twice in a Financial Year.

Roles and responsibilities of the CSR Committee

Roles and responsibilities of the CSR Committee include the following:

- Formulate and recommend to the BOD, a CSR Policy which indicates the initiatives to be undertaken by the Company as specified in Schedule VII of The Act.
- Recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company.
- Institute a transparent implementation and monitoring mechanism for the CSR initiatives of the Company.

CSR Focus Areas

The Company may engage in Corporate Social Responsibility (CSR) activities as determined by the CSR Committee of the Board ("CSR Committee") from time to time, in alignment with the requirements specified under the Companies Act, 2013 (the "Act"), including the related rules, regulations, circulars, and clarifications collectively referred to as "Applicable Law." Additionally, our CSR activities will primarily focus on the following areas, among others:

- Promoting education by donating books to underprivileged schools and community libraries, thereby fostering learning and literacy development among children and adults.

The Company's focus areas for CSR initiatives will be aligned with the activities outlined in Schedule VII of the Companies Act, 2013.

The specific activities outlined in Schedule VII are as follows:

- Eradicating hunger, poverty and malnutrition safe drinking water and sanitation.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
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- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

- 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
- 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
- Measures for the benefit of armed forces veterans, war widows and their dependents
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports
- Contribution to the prime minister's national relief 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
- 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 Contributions to public funded Universities
- Rural development projects
- Slum area development where '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
- Disaster management, including relief, rehabilitation and reconstruction activities
- 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); Shakti Exports Private Limited 6 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)

CSR Expenditure

- We commit to spending a minimum of 2% of the average net profits for the preceding three FYs on CSR initiatives.
- Any initiatives undertaken in pursuance of the normal course of our business shall not be taken into account.
- A company can only spend up to 5% of its CSR budget on administrative overheads. Any expenses that exceed this limit will not be considered as CSR expenditure.

Qualification for CSR expenditure:

- BOD shall ensure that the CSR initiatives are related to the subjects specified in Schedule VII of The Act and the Rules notified by the Ministry of Corporate Affairs (MCA), Government of India (GOI). Any surplus arising out of our CSR initiatives will not form part of the business profit and will be spent on the same project that gave rise to the surplus.
- The unspent amount of an ongoing or multi-year project of a particular FY will be transferred to a designated account called the Unspent Corporate Social Responsibility within 30 days of the end of the FY.
- In case of any excess spent (i.e. more than 2% mandated expenditure), the amount will be set off over the next 3 FYs as per The Rules.

Exclusion in the CSR expenditure:

- Projects/Programs/Activities that benefit only the employees of the Company and their families
- Any activities undertaken in pursuance of the normal course of business of the Company.
- Payments made as part of legal settlements, such as compensation, fines and penalties.
- Core business activities that may have a community or societal benefit
- Payment of taxes and royalties, and creation of employment
- The payment of salary/wages to employees and workers during an emergency period
- Contribution of any amount directly or indirectly to any political party
- Events such as marathons/ awards/ charitable contribution/ advertisement/sponsorships of TV programs etc.

Implementation

The implementation of initiatives will be done by the following modes:

- Direct implementation – CSR initiatives directly implemented by the Company
- Indirect implementation – CSR initiatives implemented with the involvement of implementation agencies*

*The implementation agencies may include:

- A company established under section 8 of The Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Monitoring

Embedded in Alankit Limited commitment to responsible business is the rigorous monitoring of all the CSR initiatives, and ensuring these initiatives have a positive impact on society as a whole.

Our monitoring system will involve the following steps:

- Tracking of activities to understand if they are in line with project plans, timelines, and budgets
- Collecting and reviewing the Utilisation Certificate taken from the implementation agency to understand how projects have benefited the target area or the beneficiaries.
- Periodic external evaluations on some initiatives, as required, to ensure the broader relevance of our activities and how to better design and implement them.

Policy Review and Future Amendment

Corporate Social Responsibility policy of the Company conforms to the Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as notified by the Ministry of Corporate Affairs, Government of India).

The Committee shall review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

Note: In case of any ambiguity arising in any matter shall be dealt with by the committee and appropriate decision will be taken.
