

## Corporate Social Responsibility Policy

### Vatika Limited: Gurgaon

At Vatika Limited, it is our conviction that the engagement with social issues must be deep, meaningful and formed on the bedrock of long-term commitment; for that is the only way by which real change can happen on the ground. This is also reflective of the fact that such an approach serves both, enlightened business interest and social good. We run our social programmes on a strong foundation of ethical principles, good governance and sound management. This includes, among other things, holding ourselves up to public scrutiny through a framework of transparent, rigorous reporting.

Our approach to social responsibility and sustainability rests on three important pillars-

➤ The Strategic

*We choose domains and issues to engage with that are force multipliers for social change and sustainable development.*

➤ The Systemic

*We choose to engage on systemic issues that require deep, meaningful and challenging work. The objective is to affect systemic change at ground level over a period of time.*

➤ The Deliberative

*Our emphasis on depth and on long term commitment implies a deliberative approach that precludes spreading ourselves thin. By implication, this also means that we are wary of expanding and growing our social programmes as ends in themselves. We will continue to adhere to this approach going forward.*

### Corporate Social Responsibility (CSR) Committee Composition

The CSR committee (Sub-committee to the Board) will be the apex body that will oversee our CSR policy and programmes.

It consists of three members of the Board and is headed by non-executive director. The Committee shall hold meeting as and when required. The Board of Directors constituted a Corporate Social Responsibilities (CSR) Committee comprising following members-

<b><u>S.No</u></b>	<b><u>Name of the Directors</u></b>	<b><u>Designation</u></b>
1	Ms. Ruchi Munjal	Chairman
2	Mr. Vijender Kumar	Member
3	Mr. Brij Kishore Singh	Member

### Board's Rights and Responsibilities

Following rights and responsibilities vests with the Board of the Company in connection with the CSR Policy and framework:

- i. To approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- ii. To ensure that Company makes mandatory disclosures in the Company's Annual Reports and website, relating to CSR Committee members, Policy and the activities undertaken.
- iii. To ensure annual reporting of CSR Policy and activities to the appropriate governmental authority as mandated by applicable law.
- iv. The Board shall approve the CSR policy and oversee that identified work is duly undertaken and in each financial year at least 2% of average net profit of preceding three financial years is spent effectively.
- v. To Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- vi. To Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board / CSR Committee and the Chief Financial Officer shall certify to that effect.
- vii. To Approve for transfer of unspent CSR Amount if any in accordance with the law.

### Monitoring Mechanism

The goals and objectives along with the annual budgets of CSR to be discussed and signed off at the beginning of every financial year with the CSR committee and the Board of Directors. An annual action plan in pursuance of its CSR policy which includes

- i. list of CSR projects to be undertaken
- ii. the manner of execution of such projects,
- iii. utilization of funds,
- iv. monitoring and reporting mechanism for the projects or programs; and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company

The Board of Directors may alter the plan, any time during the financial year, as per the recommendation of its CSR Committee.

The CSR Committee allocates the budgets to programs and projects in domains that are aligned with the CSR policy. A significant proportion of our programs comprise ongoing, long-term projects and these are deemed to be approved till the end of the period specified in their contracts/agreements.

Along with approval of the annual plan, the CSR committee to review the progress of all key programs vis-à-vis its broad objectives for the previous year including effective utilization of the funds and a formal assessment of outcomes and impacts as considered relevant by the Board and the Committee.

All decisions on outcome/impact evaluation are required to be presented to the CSR Committee /Board once a year.

#### Domains

The various areas of CSR activities will primarily include the following:

➤ **Education**

Promoting education, including special education and inclusive education for children with disability, and skill development and livelihood enhancement projects.

➤ **Disaster Relief and Rehabilitation**

Engaging with communities affected by natural disasters for relief and long-term rehabilitation to strengthen their resilience, i.e., intervention in livelihoods, access to education.

➤ **Business Sustainability**

Reducing and minimizing the environmental footprint of our operations and enhancing the biodiversity quotient of our facilities.

➤ **Community Health Care**

Engaging with the community to promote health care including preventive health care, safe drinking water and sanitation. Providing primary health care services for disadvantaged communities who are proximate to our areas of business operations.

➤ **Ecology**

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.

The above is only an illustrative list and the CSR activities will not be restricted to these activities only and CSR Committee will take up new areas of CSR activities as per the Schedule VII of the Companies Act, 2013 read with CSR rules as amended from time to time.

#### CSR Expenditure

i. The administrative overheads spend by the Company should be less than or equal to 5% of total CSR expenditure of the Company for the financial year.

ii. The surplus out of CSR activities shall be ploughed back into the same projects or shall be transferred to the Unspent CSR Account within a period of six months of the expiry of the financial year

iii. Company spends an amount in excess of requirement, such excess amount may be set off against the CSR spending requirement up to immediate succeeding three financial years subject to the conditions that –

a) The excess amount shall not include the surplus arising out of CSR activities.

b) Board shall pass a resolution.

iv. The CSR amount spent by a Company for creation or acquisition of a capital asset for-

a) a Company established under Section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub- rule (2) of rule 4; or

b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities;

c) a public authority:

d) For existing capital assets, the Company shall comply with the above provisions within 180 days or with the approval of further 90 days by the Board.

#### Special Unspent CSR Account

A special bank account, called an Unspent CSR Account for each financial year to be opened by the Company in any scheduled bank. The account shall be credited with following-

i. Any amount remaining unspent pursuant to any ongoing project, undertaken by a Company in pursuance of its CSR Policy shall be transferred by the Company in the unspent CSR Account within a period of thirty days from the end of the financial year

ii. The amount transferred to the unspent CSR account shall be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer.

iii. Any surplus amount from CSR Project which is discontinued or completed.

For ongoing projects if the Company fails to spend the amount within a period of three financial years, the amount shall be transferred to a Fund specified in the Act and rules made there under, within a period of thirty days from the date of completion of the third financial year.

#### Implementation of CSR programmes/projects

Our implementation approach is to work primarily through implementing agencies/partners with established track records in the respective domains. The programmes would be identified as per the requirement in the community/schools, etc. Professional agencies may be engaged in conducting the due diligence, need based assessment in some programmes, wherever required.

The CSR projects will be implemented either directly by the Company or through **VCare**, which is a philanthropic trust registered under the Indian Trusts Act, 1882.

#### [Display of CSR activities on its website](#)

The composition of CSR Committee, and CSR Policy and Projects approved by the Board will be displayed on the company's website, for public access.

#### [Amendments to the policy](#)

The Board of Directors, either on its own or as per the recommendations of CSR Committee, can amend this Policy, as and when required. The decision of the Board of Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. This Policy is subject to continuous review and updates as required from time to time.