

**Corporate Social Responsibility Policy**



Ver.3

**(Revised w.e.f. September 24, 2021)**

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## **1. CSR APPROACH AND GUIDING PRINCIPLES:**

One of the core believes of ASK Wealth Advisors Private Limited (“Company”) is that the economic performance, environmental and social stewardships are the key factors for a holistic business growth. As a responsible corporate citizen, the Company has decided to continue its efforts for a sustainable development of the Society and environment with an aim to make our planet a better place for future generations.

As per the Companies Act, 2013 (“Act”) and rules made thereunder, the Board of Directors, on recommendation of the CSR Committee, adopted a policy on Corporate Social Responsibility (ASKWA CSR Policy). The policy encompasses the Company’s philosophy delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, more specifically the deprived, underprivileged and differently abled sections of the society.

The CSR Policy was adopted on 26<sup>th</sup> June 2015 and was subsequently revised on 17<sup>th</sup> October 2019. The present revised policy (i.e. Ver. 3) captures the enhanced thrust areas for the company to focus on and has been aligned to the prevailing legal frameworks including the latest amendments by the Ministry of Corporate Affairs (‘MCA’) in Section 135 of the Act and the rules made thereunder on CSR.

## **2. OBJECTIVE:**

The ASKWA CSR Policy intends to:

- i. Ensure an increased commitment at all levels in the organization, to run its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- ii. Take up programs, directly or indirectly, that benefit the communities in and around its work- centers and results, over a period, in enhancing the quality of life & economic well-being of the local populace.
- iii. Generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.
- iv. Pursue a corporate strategy that enables realization of the twin goals of shareholders’

value enhancement and societal value creation in a mutually reinforcing and synergistic manner.

### **3. THE REGULATORY FRAMEWORK:**

The Companies Act, 2013 together with The Companies (Corporate Social Responsibility Rules) notified thereunder as amended from time to time and Schedule VII to the Act provides a framework for companies to define the key thrust areas in the CSR space and specifies the activities which the Company shall not undertake as part of its CSR obligations.

All CSR projects of the Company will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013.

### **4. KEY THRUST AREAS:**

In line with Schedule VII to the Act on the CSR activities, the company shall continue to direct its resources on following areas as part of its CSR initiatives.

- i) 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;
- 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 centers 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;
- vii) Training to promote rural sports, nationally recognized 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 Government. 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;

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.

- xii) Disaster management, including relief, rehabilitation and reconstruction activities.
- xiii) Such other areas, as the CSR committee may decide from time to time within the purview of the Act including contribution to various funds created by Central/ state governments/local authorities as may be notified for CSR Purpose.

## 5. UNDERTAKING OF CSR ACTIVITIES:

- i. The CSR activities can be undertaken by the company as a project and/or program and/or activity (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- ii. The Company shall give preference to the local area and the areas around it, where it operates, for spending the amount earmarked for CSR activities.
- iii. The Board of Directors may decide to undertake the CSR activities, as approved by the CSR Committee, through
  - (a) ASK Foundation (a registered charitable trust) or any other 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, by the company, either singly or along with any other company, or
  - (b) 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;
  - (c) any entity established under an Act of Parliament or a State legislature;
  - (d) 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.

Provided that every entity, as mentioned above, which intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 1st day of April 2021.
- iv. The Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
- v. The Company can also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the provisions of the Act.

- vi. In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

## **6. IMPLEMENTATION:**

The Company through a registered trust or a registered society or company registered under Section 8 of the Act can undertake CSR activities as per the provisions of the Companies Act, 2013. Accordingly, ASK Foundation (a registered charitable trust) or such other entities shall work closely with and support the Board and CSR Committee in implementing CSR activities of the Company. ASK Foundation or such other entities will assist the CSR Committee in identifying the areas of CSR activities, programs and execution of initiatives as per defined guidelines. ASK Foundation or such other entities will also assist the Board and the CSR Committee in reporting the progress of the deployed initiatives and in making appropriate disclosures (internal as well as external) on a periodic basis.

## **7. GOVERNANCE:**

The Company has a well-defined structure to oversee the implementation of the CSR Policy and monitoring of CSR projects as per the requirements of Section 135 of the Companies Act, 2013. The Company has constituted a CSR committee in compliance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Corporate Social Responsibility Committee (“CSR Committee”) of the Board, constituted as per the provisions of the Act, shall be responsible:

- (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) Recommend the annual CSR expenditure budget to the Board for approval;
- (c) Review implementation of CSR activities of the Company within the applicable framework and as per the CSR policy of the Company; and

- (d) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after seeking approval of the Board or as may be directed by the Board from time to time.

#### **8. ANNUAL ACTION PLAN:**

The CSR Committee of the Board of Directors of the Company shall on an annual basis, recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
- (b) the manner of execution of such projects or programmes.
- (c) the modalities of utilization of funds and implementation schedules for the projects or programmes.
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

Further, the Board may during the year, at the recommendation of the CSR Committee alter such plans.

#### **9. BUDGET ALLOCATION AND CSR EXPENDITURE:**

- (a) For achieving its CSR objectives, subject to meeting of applicability criteria prescribed under the Companies Act, 2013, the Company will allocate 2% of its average net profits made during the three immediately preceding financial years, as its Annual CSR Budget. The Company may voluntarily allocate additional funds over and above the aforesaid 2%, subject to approval of the Board of Directors of the Company.
- (b) In line with the requirements of the Act, Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.



- (c) Unspent CSR amount, if any, at the end of a financial year, shall be dealt with in the manner as prescribed under the Companies Act 2013 Act and the CSR Rules made thereunder.
- (d) If in any financial year the company spends on CSR activities in excess of the obligated 2% of average net profits, the Board may decide to set-off the same in the immediately succeeding three financial years, subject to conditions prescribed under the Act and the CSR Rules.
- (e) The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company and shall be ploughed back into the same project or transferred to “Unspent CSR Account” and spent in pursuance of CSR Policy and the Annual Action Plan on CSR activities.
- (f) Subject to the provisions of the Act, the Company may also utilize its CSR spend towards creation or acquisition of a capital asset.

#### 10. MONITORING PROCESS:

To ensure effective implementation of the CSR programs, a monitoring mechanism will be put in place by the CSR committee having primary objective to measure:

- **Effectiveness of CSR activities:** Is the project achieving its pre-set goals?
- **Project relevance:** Are CSR activities well-directed towards welfare of stakeholders?
- **Coherence:** Are CSR activities well-coordinated?
- **Efficient use of resources:** Are the resources allocated for CSR activities utilized efficiently?
- **Development-policy effects:** Are CSR project efforts contributing to pre-determined goals?
- **Sustainability:** Will CSR initiatives keep continuing for long duration?

The Company will follow a project-based accountability approach to stress on the long-term sustainability of CSR projects, where its action plan shall be distinguished as Short-term, Middle-Term & Long Term; qualified as Short Term – 6 months to 1 year, Medium Term – 1 year to 2 years, Long Term – 2 years and above.

The Committee may time to time decide engaging external consultants for having Transparent Assessment / Evaluation for gauging impact of the CSR initiatives including performance of the CSR projects.

## **11. IMPACT ASSESSMENT AND REPORTING:**

As per The Companies (Corporate Social Responsibility Rules, in the event of the average CSR obligation of the Company in the 3 immediately preceding financial years becomes Rs.10 Crore or more the Company shall:

- Undertake Impact Assessment through an Independent Agency for all projects of 1 Crore or more which have been completed not less than 1 year before undertaking the impact study.
- The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

The report on the CSR initiatives and projects of the Company shall form part of the Annual Report of the Company.

The CFO of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilized towards the same effect.

## **12. DISSEMINATION OF CSR POLICY:**

The contents of this policy shall be disclosed in Board of Directors' Report every year and shall also be displayed on the Company's website in compliance with applicable provisions of Companies Act, 2013 and rules made thereunder.

~End~