

ELARA SECURITIES (INDIA) PRIVATE LIMITED **(‘ESPL’)**

THE CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

INTRODUCTION AND BACKGROUND

ESPL is committed to abiding by the laws of the land it operates in and will support or implement activities that positively affect the economically and socially disadvantaged population and the environment.

The Corporate Social responsibility (CSR) activities of the Company being part of the Group are guided by the vision and philosophy of its Founder & Director.

PREAMBLE

The CSR Policy outlines the company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare & sustainable development of the community at large.

The Company believes that the true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Through its social investments, the Company strives to address the needs of communities, taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development and response to natural calamities. For society, however, the Company is more than a corporate identity. It endeavours to be a catalyst for social empowerment.

It is Company's conscious strategy to design and implement Social Investments / CSR programs, by enriching value chains that encompass the disadvantaged sections of society, especially those residing in rural India, through economic empowerment based on grass-root capacity building.

This Policy shall apply to all CSR initiatives and activities taken up at the various work centres and locations of the company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

VISION AND MISSION

The CSR activities of ESPL will strive towards improving the social and economic conditions of disadvantaged communities and promote a green and clean

environment. The company will achieve this through direct interventions and, or, contributing financially to organizations for government funds that focus on providing such actions.

SCOPE / LIST OF CSR ACTIVITIES

The company would carry out its CSR activities with the objective of overall National and Community Development. At the same time, the company would give preference to the local areas around the locations where it operates in India and in State of Uttarakhand, for spending the amount earmarked for CSR activities.

The company will undertake CSR activities to do overall good to the community, with special emphasis on activities for the benefit of the poor and needy sections of the society.

In particular, the company will undertake CSR activities in areas or subjects as specified in Schedule VII to the Companies Act, 2013, but will not be limited to the following:-

- a) 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;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) 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;
- d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, 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;
- e) 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 arts and handicrafts;

- f) measures 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;
- g) training to promote rural sports, nationally recognized sports, paraolympic sports and Olympic sports;
- h) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) 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;
- j) 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);
- k) rural development projects; and
- l) Disaster management activities and Relief to victims of natural calamities.

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)

Without prejudice to the above, following activities, by way of illustration, may also be carried out by the company, if it deems fit:-

- I. Curative health care, surgery, eye donation camps, skin donation camps, blood donation activities, therapy camps, dental camps, acupressure camps, cataract camps, etc.

- II. To participate in building a healthy community through continuing initiatives in several areas of healthcare, with a focus on mother & child care and HIV/AIDS awareness.
- III. Literacy / Awareness programmes and activities in various social & well being areas.
- IV. Research activities, economic, industrial, social research, research professorships, research chair, etc.
- V. Furtherance & promotion of recognized ideologies like the Gandhian and Sarvodaya ideologies, Swami Vivekananda Missions, national integration, communal harmony etc.
- VI. Furtherance and promotion of practice of alternative Indian traditional medical practice such as homeopathy, ayurvedic, siddha, naturopathy and yoga therapies, for the benefit of community at large.
- VII. Hostels and boarding rooms, reading rooms, convalescence / asylum rooms for poor and the needy.
- VIII. Restoration & beautification of a city, town, village, museum, gardens, parks, public recreation centres etc.
- IX. Activities relating to irrigation, wells, dams etc. for improving livelihood of farmers and agriculturists.
- X. Promotion of nationally recognized sports (not only training).
- XI. Infrastructure activities, essentially for helping the poor and the needy

WHAT IS NOT CSR

CSR activities will not, however, include the following:-

- Activities undertaken in pursuance of Company's normal course of business;
- Activities which benefit only the employees of the company and their families;
- Contribution directly or indirectly to any political parties;
- Activities undertaken outside the country.

CSR VEHICLE

- i. CSR activities will be undertaken either directly by the Company or through a registered public trust registered under section 12A and 80 G of the Income Tax Act, 1961 established by the Company, either singly or along with any other company.
- ii. If any donation/contribution is to be given to any other entity for CSR activity, preference will be given to such entities/Trust having track record in undertaking similar programs or projects.
- iii. Further, in such a case, the company will specify the project or programme to be undertaken through these entities, the modalities of utilization of funds on such projects or programs and the monitoring and reporting mechanism.

- iv. The company may also collaborate with other companies for undertaking projects or programs in such a manner that the Board / CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the prescribed CSR Rules.
- v. Company may build CSR capacities of its own personnel as well as those of the implementing agencies through institutions with established track records, subject to the prescribed CSR Rules.

CSR CELL OR TEAM

- i. The conduct of CSR activities shall be implemented by CSR Cell to be set up by management of the Company.
- ii. The CSR Cell will be responsible for activities undertaken under CSR Policy and shall report at periodic intervals to the Board of Directors.
- iii. Implementation will be done as per the requirement of the project or programme which is envisaged. Endeavour will be made to implement it over a year or so. However, as per the specific requirements of the activity, the schedule may be over a longer duration.
- iv. The CSR Cell may also work with any NGO's or institution to design and implement innovative projects independently or through partnership between institutions/trust.
- v. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- vi. The process for implementation of CSR programs will involve the identification of programs, area of CSR activities, project based approach, time period, cost of the project etc.
- vii. All proposals under CSR activity would be referred to the CSR Cell.
- viii. After evaluation, CSR Cell may put forward the proposals of CSR along with their comments to Board of Directors.
- ix. The CSR Cell would recommend the proposal of CSR and the amount of expenditure to be incurred on the same to the Board for its approval.

MONITORING AND ASSESSMENT

- a) Release of funds for CSR Project/Programme: The amounts sanctioned for a CSR project or programme, will be released in stages or installments as per progress, as may be determined by the Board of Directors. The Board may design the procedure/ guidelines applicable from time to time and release of funds to any project in a year shall be as per the guidelines finalized by the Board of Directors.
- b) Review by Board: On a quarterly basis, the Board of Directors will review the implementation of CSR.

- c) Utilisation Certificate: Funds released/to be released to the implementing agency would be based on satisfactory utilization certificate duly certified by an authorized officer' / CEO of the donee entity and satisfactory performance report submitted by the said person, as may be decided by the Board of Directors.
- d) External Agency assessment: The impact assessment/ evaluation of major projects may be carried out by an external agency to critically assess the fulfilment of project objectives.
- e) Audit: The amount spent on CSR by the company will be subject to audit.
- f) Reporting in the Annual Report of the Company: CSR Policy and initiatives of the Company will be reported in the Annual Report of the Company in the manner prescribed under the CSR Rules. All the CSR & Sustainability projects would be documented and hosted on the company website also.
- g) The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

GENERAL

The CSR Policy referred to above is to be read in conjunction with Companies Act, 2013 and Companies (CSR Policy) Rules, 2014. Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued from the Government from time to time or as decided by the Board of Directors of the Company. The above Policy Guidelines are subject to review at suitable intervals and subject to revision accordingly.

NOTE: Approved by the Board in its 110th Board Meeting held on 28 June 2022.