

## **ALLIED DIGITAL SERVICES LIMITED** **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **I. Introduction:**

At Allied Digital Services Limited (hereinafter referred to as “**the Company**”), the Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. Our vision is to be one of the most respected Companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees, and host communities.

Our CSR initiatives focus on the holistic development of our host’ communities while creating social, environmental and economic value to society.

### **II. Objective:**

The main objective of the Company’s CSR Policy is:

- to lay down guidelines to make CSR a key business process for sustainable development of the society.
- to directly/ indirectly undertake projects/ programs which will enhance the quality of life and economic well-being of the communities in and society at large.
- to generate goodwill and recognition among all stake holders of the Company.

### **III. Applicability**

This Policy shall apply to all CSR Projects / Programs and activities undertaken by the Company.

### **IV. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee (‘CSR Committee’) shall consist of three or more Directors, out of which at least one Director shall be an Independent Director. The Company Secretary of the Company shall act as the Secretary of the Committee.

The functions of the CSR Committee shall be as follows:

- a) formulate and recommend the CSR policy to the Board;
- b) recommend the amount of expenditure to be incurred on CSR activities;

- c) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in rule 5(2) of the Companies (CSR Policy) Rules, 2014;
- d) The Committee shall be responsible for the decision making with respect to the Company's CSR Policy.

Further the CSR Committee shall be responsible for the implementation/ monitoring and review of this Policy and various projects/ activities undertaken under the Policy.

#### V. **CSR Activities:**

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time.

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to Swach Bharat Kosh set up the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. 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,
5. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
6. To undertake other need based initiatives in compliance with Schedule VII of the Companies Act, 2013.

The following activity shall not form part of the CSR activities of the Company: -

1. The activities undertaken in pursuance of normal course of business of a Company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/ indirectly to political party or any funds directed towards political parties or political causes.

4. Any CSR projects/ programs or activities undertaken outside India.

## VI. **Implementation:**

Project/ programs covered under CSR activities shall be implemented by the Company. The CSR Committee of Company shall evaluate and report the progress of such projects/ programs as approved undertaken by the Company.

Pursuant to rule 4 of the Companies (CSR Policy) Rules, 2014 the Company may undertake CSR activities through following three modes of implementation:

1. Implementation by the Company itself
2. Implementation through eligible implementing agencies as prescribed under sub-rule (1) of rule 4.
3. Implementation in collaboration with one or more companies as prescribed under sub-rule (4) of rule 4.

Rule 4(1) of the Companies (CSR Policy) Rules, 2014 provides the eligible entities which can act as an implementing agency for undertaking CSR activities. These are:

1. Entity established by the Company itself or along with any other Company – 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.
2. Entity established by the Central Government or State Government – a company established under section 8 of the Act, or a registered trust or a registered society.
3. Statutory bodies – any entity established under an Act of Parliament or a State legislature.
4. Other bodies – 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.

However, any such projects/ programs to be undertaken through these entities shall have an established track record of 3 years of undertaking such projects/ programs.

In the event the Company undertakes CSR activities through a third party entity as set out above, the Company shall ensure that such entities have obtained a unique CSR Registration Number in accordance with the Rules, if such CSR project or program is approved and undertaken after April 01, 2021.

The Company may engage International Organisations (as defined in Clause 2(g) of the Companies (Corporate Social Responsibility Policy) Rules 2014) for designing, monitoring, and evaluation of CSR Projects as well as capacity building of their personnel.

The Company may also collaborate with other Companies to undertake CSR projects or CSR activities provided the CSR Committees of the respective Companies are able to report separately on such projects.

In case of Ongoing Project, the Board 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.

CSR Committee shall have full discretion to specify or modify the modalities of execution of CSR projects or programs and to determine implementation schedules.

## **VII. Annual Action Plan**

The CSR Committee shall formulate & recommend to the Board an annual action plan for CSR activities of the Company, which shall include the following, namely:

- (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 as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilisation 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.

The Board of Directors of the Company may alter this plan at any time during the financial year as per recommendation of CSR Committee of the Company based on reasonable justification to the effect.

## **VIII. Monitoring**

The CSR Committee allocates the budgets to programs and projects in domains that are aligned with the CSR Policy. The CSR Committee shall monitor the implementation of the CSR projects/programs/activities, including any ongoing project, if any, with the approved timelines and year wise allocation as per the CSR Policy and ensure compliance of the provisions related to CSR mentioned in the Companies Act, 2013 and the Rules made thereunder from time to time. Further the CSR Committee is competent to make

modifications, if any for smooth implementation of the project within the overall permissible time period.

The progress of CSR initiatives and activities will be reported by the CSR Committee to the Board on a regular basis.

The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify the same.

#### **IX. CSR Reporting & Display of CSR Policy**

The details of composition of the CSR Committee, the CSR policy and details of CSR activities approved by the Board in form of Annual Action Plan shall be available on the Company website at [www.allieddigital.net](http://www.allieddigital.net).

As per CSR Rules, annual report on CSR Activities shall be included in the Board's Report forming part of Company's Annual Report.

#### **X. Budget**

- a) The Board of the Company to ensure that minimum of 2% of average net profit of the last 3 years is spent on CSR initiatives undertaken by the Company.
- b) If the Company fails to spend at least two per cent of the average net profits of the Company, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.

#### **XI. Miscellaneous:**

In case of any doubts regarding any provision(s) of the said CSR Policy a reference can be made to the CSR Committee of the Board of Directors. In all matters, the interpretation(s) and decision(s) of CSR Committee of the Board of Directors shall be final. Any or all provision(s) of the CSR Policy will be subject to revision / amendments in accordance with the guidelines as may be issued by Ministry of Corporate Affairs/ Governments from time to time.

#### **XII. Amendment:**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Policy is subject to modification. Any amendment of any provision of this policy must be approved in writing by the Company's Board as per the recommendations of the CSR Committee and promptly disclosed on the Company's web-site

and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment.

**Sd/-**

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**Nitin Shah**  
**Chairman and Managing Director**

**Sd/-**

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**Swanubhuti Jain**  
**Chairperson – CSR Committee**

Place: Mumbai