# CORPORATE SOCIAL RESPONSIBILITY POLICY

Last review date: March 28, 2025

# CORPORATE SOCIAL RESPONSIBILITY POLICY OF UNIFI CAPITAL PRIVATE LIMITED

## I. INTRODUCTION

Unifi Capital Private Limited (the 'Company') has developed its Corporate Social Responsibility Policy (the 'Policy') in accordance with Section 135 of the Companies Act 2013 and the rules made there under.

The Policy shall apply to all CSR programmes of the Company.

## II. OBJECTIVE

The CSR Policy sets out our commitment to ensure that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives.

The Company's CSR initiatives provide support to economically weaker sections of society in the field of education, health, culture, art and sports development as well as promoting environmental conservation initiatives.

## III. DEFINITIONS

a) "Act" means Companies Act, 2013 including any Statutory modification or re- enactment thereof.
b) "Board" means Board of Directors of the Unifi Capital Private Limited.
c) "Corporate Social Responsibility" (CSR) means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely: -

   (i) activities undertaken in pursuance of normal course of business of the Company;
   (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
   (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
   (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019;
   (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
   (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India.

d) "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014.
e) "Chairperson" means Chairperson of CSR Committee, if any.
f) "CSR Committee" means Corporate Social Responsibility Committee of the Board, if any.
g) "CSR Policy/ Policy" means Corporate Social Responsibility Policy of Unifi Capital Private Limited.

h) "CSR Activities" means the activities to be undertaken by Unifi Capital Private Limited in areas or subject specified in Schedule VII to the Act and specified under this Policy.
i) "Employee" means employee of Unifi Capital Private Limited (whether working in India or abroad).
j) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.
k) "Net Profits" means the net profit calculated as per Section 135 read with Section 198 of the Act.
l) "CSR Expenditure" means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time or as stipulated/modified by the Act from time to time.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

**IV. CSR COMMITTEE**

1. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules.
2. The CSR Committee shall consist of at least two Directors from the Board of the Company. The Committee may invitee other Directors/employees/external as may be required for the Meetings.
3. The CSR Committee shall hold meetings which shall be attended by minimum of two members of the Committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.
4. All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee for their inputs and the final decision/determination/ interpretation shall rest with the Board.
5. No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.
6. The Board shall discharge the functions of the CSR Committee in case it is not required to be constituted or dissolved owing to the amount to be spent by the Company under Section 135 does not exceeding fifty lakh rupees.

**V. CSR EXPENDITURE**

1. The CSR Committee shall recommend the amount of CSR Expenditure to be incurred in a year, in accordance with the Act and the Rules.
2. The Board shall be responsible for sanctioning the CSR Expenditure and taking steps to ensure that the amount for the CSR Expenditure is available for application towards the CSR Activities.

3. The Board shall ensure that the CSR Expenditure in a financial year is at least at two per cent of the average Net Profits of the Company made during the three immediately preceding financial years.
4. Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
5. In order to count towards CSR Expenditure, CSR Activities must be carried out in India and should not be solely for the benefit of the employees of the Company and their families.
6. Any amounts contributed directly or indirectly to any political party under Section 182 of the Act will not count towards CSR Expenditure or considered a part of CSR Activities.
7. Any amounts expended while undertaking activities in pursuance of normal course of business of a Company or on an item not in conformity or in line with activities set out in Schedule VII of the Act, will not form a part of CSR Expenditure.
8. In case CSR expenditure is more than the CSR Budgeted for the Financial Year, then excess amount can be set off against the CSR Budget of the next Financial Year subject to the approval of the Board to this effect.

**VI. CSR ACTIVITIES**

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

    (i) Towards 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 centres 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, Central Armed Police Forces (CAPF) and Central Paramilitary Forces (CPMF) veterans, and their dependents including widows.

(vii) Training to promote rural sports, nationally recognised 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 govt. 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 Défense 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.

(xii) Disaster management, including relief, rehabilitation and reconstruction activities.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
3. Based on the scope of activities set out in paragraph VI (1) above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
4. The CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
5. In case any of the CSR Activities to be undertaken are anticipated to be long term, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
6. Based on the recommendations of the CSR Committee, the Board shall approve the following:
   (i) The specific CSR Activities that should be undertaken by the Company from time to time;
   (ii) The amount that should deployed towards such CSR Activity;
   (iii) Whether the CSR Activities will be undertaken directly by the Company or through an Implementing Agency or in collaboration with any other companies [and record reasons for the same].

## VII. IMPLEMENTATION OF THE CSR POLICY

1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules.
2. Mode of Implementation: The CSR Activities may be undertaken by the Company directly or with the prior approval of the Board,
   a) a Company established under Section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and approved under 80 G of the Income Tax Act, 1961 established 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; or
   c) any entity established under an Act of Parliament or a State legislature; or
   d) a Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
3. The Company may also collaborate with other Companies for undertaking projects or programmes 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 programmes in accordance with these rules.
4. Partner Qualifications and Due Diligence:

   If Company enrolling an implementation agency, Company shall undertake measures to ensure that projects are awarded to certified implementation agencies. The following broad parameters shall be considered while selecting the implementing agency:
   • Legally authorized to undertake CSR activities.
   • Confirmation of the ethical and clean track record of the agency.
   • Agency having a track record of at least at least three years of working in CSR areas.
   • Duly registered under Sections 80G and 12A of the Income Tax Act.
   • Has obtained a Unique CSR Registration Number from the Ministry of Corporate Affairs.
   • The agency shall have the requisite systems and processes in place for monitoring and reporting.
   • Such other conditions as may be decided by the CSR Committee from time to time.

5. In case of failure to ensure the minimum CSR Expenditure, details reasons for the same should be submitted by the CSR Committee to the Board, who shall include the same in their report.

## VIII. MONITORING PROCESS

1. The Board of a Company shall satisfy itself that the funds so disbursed have been utilised 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 to the effect.
2. The CSR Committee shall formulate and recommend to the Board an Annual Action Plan in pursuance of this CSR policy. The annual action plan of the Company would include the manner of execution of CSR projects or programmes to be undertaken by the Company, the modalities of utilization of funds and implementation schedules for the projects or programmes, and monitoring and reporting mechanism for the projects or programmes and details of need & impact assessment, if any, for the projects undertaken by the Company. The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

## IX. REPORTING AND RECORD KEEPING

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The Board's report of the Company shall include an annual report on CSR containing the particulars set out in CSR rules and such other details as may be prescribed from time to time under the Act and the CSR Rules.
3. The Board will be responsible to ensure that:
   (i) The report of the Board includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the Act and the Rules; and
   (ii) The contents of the latest and updated version of the CSR Policy are included in the report of the Board and made available on the website of the Company.
4. The Policies may be adopted by the subsidiaries of the Company.

## X. AMENDMENT

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.