



CORPORATE SOCIAL RESPONSIBILITY POLICY

FOUNDATION FOR PROMOTION OF SPORTS AND GAMES

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Version - 1.0



1. PHILOSOPHY:

Corporate Social Responsibility (CSR) is a public spirited cause that has been well introduced by the new Companies Act 2013. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

The Company completely endorses reliability. It is committed to conduct activities in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs. The Company is committed towards improving the quality of lives of people in the communities in which it operates because; the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.

The Company aims to fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

2. PURPOSE:

The key purpose of this Policy is to:

- To ensure that the Company is committed to operate its activities in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To take up programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of life of the people in the area of its activities.

3. APPLICABILITY OF THE POLICY:

The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.

This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under- privileged.

4. FOCUS AREAS:

In accordance with the requirements under the Companies Act, 2013, Foundation for Promotion of Sports and Games CSR activities, amongst others will focus on:



- **Promoting Sports:** Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports on its own or through any implementing agency. Financial participation in the development and training of sports.

The CSR amount can be spent through any of the eligible entities as described in para 9 of this policy on any of the activities specified under Schedule VII of the Companies Act, 2013 and rules made thereunder.

5. CSR BUDGET:

The Board of the Company shall ensure that the Company in every financial year spends the CSR amount at the rate as provided in Section 135 (5) of the Companies Act, 2013 and rules made thereunder. The CSR Budget for each financial year will be placed before the Board of Directors depending upon the profits calculated under Section 198 of the Companies Act, 2013.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

As per the CSR rules, the CSR amount of the company does not exceed fifty lakh rupees, therefore the requirement for constitution of the CSR Committee shall not be applicable and the Board of Directors will discharge the functions of such Committee.

7. ROLE & RESPONSIBILITIES OF THE BOARD

The Board shall:

- Approve the 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 (as amended from time to time).
- Place the CSR Policy on the Company's website.
- Ensure implementation of the activities under CSR
- Ensure expenditure of requisite amount on CSR every year as per law.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board and the Chief Executive Officer shall certify to the effect.
- Approve transfer of unspent CSR Amount in accordance with the law.



8. CSR IMPLEMENTATION:

- A company may engage organizations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for the capacity building of their own personnel for CSR.
- A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the Board/CSR committee of respective companies are in a position to report separately on such projects or programmes following these rules.
- The Board of a company shall satisfy itself that the funds so disbursed have been utilized for the purposes.
- In case of an on-going project, the Board of a Company shall monitor the implementation of the project concerning 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.
- The Board of the Company shall ensure that the CSR activities are undertaken by the Company itself or through any of the eligible entities.

9. ELIGIBLE ENTITIES:

As per Rule 4(1), The CSR liabilities can be undertaken through the following eligible entities: –

- (a) A 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 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 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

10. ANNUAL ACTION PLAN:

The annual action plan by the Board shall inter alia include:

- a) the list of CSR projects or programs 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 programs.
- c) The modalities of utilization of funds and implementation schedules for the projects or programs.
- d) Monitoring and reporting mechanism for the projects or programs.
- e) The details of need and impact assessment, if any, for the projects undertaken by the company.

As the name suggests the action plan is expected to be an annual activity and thus the Board shall annually plan on the effective CSR implementation. As the annual plan would



differ depending upon the type of CSR project/ activity recommended to the Board, the annual plan is not included in the policy and it will be decided annually by the Board

The board may alter such plan at any time during the financial year.

11. GUIDING PRINCIPLES FOR COMPLIANCE, IMPLEMENTATION, MONITORING AND REPORTING OF ACTIVITIES:

COMPLIANCE:

Board will plan, implement, monitor and manage all CSR projects & activities.

The Board of Directors, shall formulate and approve an annual action plan in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism, details and need for impact assessment if any, for the project undertaken by the Company, etc.

IMPLEMENTATION PROCESS:

The Company can engage any of the eligible entities as defined in this policy for undertaking projects or programmes or CSR activities in accordance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. Further the Company may also enter into any of the eligible CSR projects on its own without the engagement of any of the eligible entities/ external agencies.

As Rule 7 (4) of the CSR Amendment Rules, 2021 allows Companies to spend CSR amount by creating / acquisition of capital asset through a section 8 company, or a registered public trust or registered society having charitable objects and CSR registration number or public authorities the Company can also spend its CSR amount by contributing to the creation/acquisition of capital asset through such entities.

MONITORING:

The Board will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports etc. Mechanisms to track data and monitor projects will be established to ensure the transparency and efficiency of the implementation process. The projects will be evaluated against the milestones defined in the implementation plan of the project. In case the CSR amount is spent by creating / acquisition of capital asset to be held by the entities as provided in Rule 7 (4) of the CSR Amendment Rules, 2021 the Board shall evaluate the such spending on the basis of the report submitted by such entity.



REPORTING:

The Chief Executive Officer shall certify to the Board that the funds so disbursed have been utilised for the purposes in the manner as approved by the Board.

The Company shall annually publish report on the CSR projects as a part of the Directors Report in the new format as prescribed in the CSR amendment rules, 2021 forming part of the Directors Report.

The Company shall have to carry out impact assessment through an independent agency of the CSR projects completed not less than one year before undertaking the impact study and having outlays of one crore rupees or more if the Company's average CSR obligation in the three immediately preceding financial year was Rupees Ten Crore or more.

The CSR Policy as approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company respectively.

12. TREATMENT OF SURPLUS ARISING OUT OF CSR ACTIVITIES:

In accordance with Rule 7(2) of the CSR amendment rules, 2021 any surplus arising out of the CSR activities shall not form part of the business profit of a 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.

13. TREATMENT OF EXCESS CSR AMOUNT SPENT AND UNSPENT CSR AMOUNT:

As per Rule 7(3) where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –

- i. The excess amount available for set off shall not include the surplus arising out of the CSR activities.
- ii. The Board of the company shall pass a resolution to that effect.

Further the CSR amount remaining unspent in accordance with Section 135 (5) and (6) of the Companies Act, 2013 will be transferred by the Company to any fund included in Schedule VII of the Act.

14. GOVERNANCE STRUCTURE:

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.



15. EFFECTIVE DATE:

The Version 1.0 of CSR policy shall be effective from 30th November 2021

GENERAL

- Words and expressions used but not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the CSR Rules made thereunder or in any amendment thereto. This Policy shall also be subject to such clarifications and FAQs as may be issued by MCA from time to time.
- 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.
- The Company reserves the right to modify, cancel, add, or amend any of these Rules.