

ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Introduction

1.1 ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED

At **ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED (CIN: U65929TZ2017PTC028583)**, we never lose sight of our responsibility to the environment and society. Our commitments towards Corporate Social Responsibility include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably.

1.2 CSR in India

Corporate bodies' involvement in CSR activities is not a new concept in India. Industrial majors are engaged in social development activities since long back. However, the Companies Act, 2013 has brought it under the legal purview. The concept of CSR is introduced through "Comply-or-Explain" mandate. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "the CSR Rules") lay down the framework and modalities for carrying out CSR activities which are specified in Schedule VII of the Act.

2. Objective and Scope

2.1 Objective

The main objective of the CSR Policy is to lay down guidelines for **ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED**(hereinafter referred to as 'the Company') to make CSR as one of the key focus areas to adhere to **ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED's** global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

2.2 Scope and Coverage

This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

The areas of focus are:

A] Promoting education, training for underprivileged.

B] Medical Aid to poor.

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C] Infrastructure

D] Sanitation

E] Arranging relief activities for victims of natural calamities in any part of the country.

F] Contributing both financially any by other means to the Prime Minister's National Relief fund/ PM Cares/ any other fund set by the Central Government that are covered under Schedule VII of the Companies Act.

G] disaster management, including relief, rehabilitation and reconstruction activities.

Based on the need as per CSR Committee, any other areas / activities which are covered under Schedule VII of the Companies Act.

2.3 Implementation of CSR activities

The Company may undertake the CSR activities directly on its own or through Company / Entity / Registered Public Trust / Registered society as approved under Companies (Corporate Social Responsibility Policy) Rules or partly on its own and partly through such aforesaid approved Company / Entity / Registered Public Trust / Registered society as may be recommended by the CSR Committee and approved by the Board.

Where contributions or CSR activities are made or carried through aforesaid approved Company / Entity / Registered Public Trust / Registered society, the company shall obtain a Fund Utilization Certificate from them and submitted to the CSR Committee.

3. Corporate Social Responsibility (CSR) Committee

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

3.1. Constitution

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least two or more Directors. Accordingly, the constitution of CSR Committee formed by to ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED, India is as follows:

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S.No.	Name of the member	Designation in Committee	Designation in the Company
1	MOHANAMURTHY SIDHAVELAYUTHAM	Chairman	Director
2	ARUNACHALAM SRISARADHA	Member	Director
3	RAJESH	Member	Director

3.2. Functions and Powers of the Committee

To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:

- a. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- b. Recommend CSR activities as stated under Schedule VII of the Act
- c. Approve to undertake CSR activities, if necessary, in collaboration with ALICE BLUE FINANCIAL SERVICES PRIVATE LIMITED group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules
- d. Recommend the CSR Budget
- e. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- f. Create transparent monitoring mechanism for implementation of CSR initiatives in India
- g. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- h. Monitor CSR Policy from time to time
- i. Monitor activities/charter of Internal Working and Monitoring Group (WG) who are authorized to ensure that the CSR activities of the Company are implemented effectively
- j. Authorize executives of the Company to attend the CSR Committee Meetings, if necessary

3.3. Meetings of the Committee

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;

- a. The CSR Committee shall hold a minimum number of one meeting in a year.

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b. The members of the Committee may mutually agree between them regarding time and place for the said meetings.

c. The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

d. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

4. CSR Spend

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

4.1. CSR Expenditure

a) Administrative Overheads:

Administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

b) Surplus arising out of the CSR activities:

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.

c) Excess spend

Where a company spends an amount in excess of requirement provided under subsection (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, if any, in pursuance of sub-rule (2) of this rule. (ii) the Board of the company shall pass a resolution to that effect.

d) Capital asset:

Where a company spent any CSR amount for creation or acquisition of a capital asset, such asset shall be held only by –

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- (i) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or
- (ii) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- (iii) A public authority:

e) Unspent amount

(i) Not Relating to Ongoing Project

Transfer such unspent amount to a Fund specified in Schedule VII, of the Companies Act, within a period of 6 (six) months of the expiry of the financial year or such other period prescribed under the Companies Act / Rules thereof.

(ii) Relating to Ongoing Project

(i) Transfer such unspent amount to a special bank account “Unspent Corporate Social Responsibility Account – “20__ - 20__””, within a period of 30 (Thirty) days from the end of the financial year or such other period prescribed under the Companies Act / Rules thereof.

(ii) Such transferred amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 (Thirty) days from the date of completion of the third financial year or such other period prescribed under the Companies Act / Rules thereof.

5. CSR Initiatives

Pursuant to Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

5.1. Annual CSR Plan

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines inter alia the following aspects of CSR initiatives of the Company:

- Project Proposals
- Targeted Beneficiaries and their key needs

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- Alignment with Schedule VII
- Project Goals and milestones
- Activities and Timelines including expected closure dates
- CSR Budget with projections
- Monitoring mechanism
- Progress reporting and frequency of reports
- Risks and mitigation strategies
- Any other information as may be required by the CSR Committee

5.2. Collaboration

It is expressly allowed under the CSR Rules that the Company may collaborate with any other Company or association formed in this regard subject to approval by CSR Committee, to implement CSR activities and the same shall form a part of the Annual CSR Plan.

6. Reporting and publication of CSR policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

7. Monitoring Mechanism

To ensure effective implementation of the CSR programmes undertaken, monitoring mechanism is put in place.

- Progress of the CSR activities under implementation is reported to the CSRcommittee on a regular basis
- The Company may also try to obtain feedback from the beneficiaries of eachprogram and present it to the CSR committee
- Appropriate documentation of the CSR Policy, annual CSR activities, CSR budget, details of the executing partners, and the expenditure entailed will bereviewed on a regular basis.

8. Policy review and future amendment

The Board of Directors may revise/ amend this CSR Policy based on the recommendations of the CSR committee or to bring the same in line with the guidelines or amendments issued from time to time by Government on the subject.