Corporate Social Responsibility (CSR)Policy

Of

VISAMAN GLOBAL SALES LIMITED

INTRODUCTION

Corporate Social Responsibility is not a new concept in India, however, the Ministry of Corporate Affairs, Government of India has notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfil the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility. As mentioned by United Nations Industrial Development Organization (UNIDO), CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple- Bottom-Line- Approach"), while at the same time addressing the expectations of shareholders and stakeholders.

WHAT IS CSR?

The term "Corporate Social Responsibility (CSR)" can be referred as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to companies efforts that go beyond what may be required by regulators or environmental protection groups.

Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change. Moreover, while proposing the Corporate Social Responsibility Rules under Section 135 of the Companies Act, 2013, Company's Guiding Principle as follows : "CSR is the process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies. Thus CSR is not charity or mere donations. CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operations and growth."

FOR WHOM it's APPLICABLE ?

The companies on whom the provisions of the CSR shall be applicable are contained in Sub Section 1 of Section 135 of the Companies Act, 2013. As per the said section, Every Company having Net worth of INR 500 crore or more; or Turnover of INR 1000 crore or more; or Net Profit of INR 5 crore or more during the immediately preceding financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee" with effect from 1st April, 2014.

The above provision requires every company having such prescribed Net worth or Turnover or Net Profit shall be covered within the ambit of CSR provisions.

WHAT TO DO WHEN CSR IS APPLICABLE ?

Once a company i.e. including its holding or subsidiary, and a foreign company defined under clause (42) of section 2 of the Act having its branch office or project office in India, which fulfills the criteria specified in sub-section (I) of section 135 of the Act shall comply with the provisions of section 135 of the Act and CSR rules, it shall be required to comply with the provisions of the CSR. The companies covered under the Sub section 1 of Section 135 shall be required to do the following activities:

1. As provided under Section 135(1) itself, the companies shall be required to Constitute Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee". The CSR Committee shall be comprised of 3 or more directors, out of which at least one director shall be an independent director.
2. The Board's report shall disclose the compositions of the CSR Committee.
3. All such companies shall spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. It has been clarified that the average net profits shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013. Also, proviso to the Rule provide 3(1) of the CSR Rules that the net worth, turnover or net profit of a foreign company of the Act shall be computed in accordance with balance sheet and profit and loss account of such company prepared in accordance with the provisions of clause (a) of sub-section (1) of section 381 and section 198 of the Companies Act,2013.

1. The Objectives of the Policy

This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (collectively referred hereinafter as Regulations') as may be applicable and as amended from time to time and will, inter-alia, provide for the following:

• Establishing a guideline for compliance with the provisions of Regulations to dedicated percentage of Company's profits for social projects.

• Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting

• Creating opportunities for employees to participate in socially responsible initiatives.

2. Definitions

In this Policy unless the context otherwise requires:

(a)"Act" means the Companies Act, 2013;

(b) "Annexure" means the Annexure appended to these rules;

(c) Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

(d) 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: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Repot;

(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 (29 of 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;

(e) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act

(f) CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;

(g) "International Organisation" means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;

(h) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-

(i) Any profit arising from any overseas branch or branches of the company' whether operated as a separate company or otherwise;

(ii) Any dividend received from other companies in India, which are covered underand complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

(i) "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;

(j) "Public Authority" means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);

(k) "section" means a section of the Act.

(2) Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

3. CSR Committee

The CSR Committee will consist of three Directors, The quorum shall be two members are required to be present for the proceeding to take place. The Chairman and members of the committee are as follows:

Mr. Abhishek Ranjitbhai Rathod	DIN: 10519845	Chairman	Non-Executive Independent Director
Mr. Mitulkumar Sureshchandra Vasa	DIN: 07789750	Member	Executive Director (Managing Director)
Mr. Brijesh Narendrabhai Kular	DIN: 09648254	Member	Executive Director (Whole Time Director)

4. Role, Scope And functions of CSR Committee

The CSR committee will recommend a formal CSR Policy, this document and will recommend particular CSR activities, set forth a budget, describe how the company will implement the project, and establish a transparent means to monitor progress.

Further, The CSR Committee constituted in pursuance of Section 135 of the Companies Act, 2013 shall be required to carry out the following activities:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);and

c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

5. CSR Activities

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Schedule VII of Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014:

i. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach 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 & employment enhancing vocation skills especially among children, women, elderly & the differently unable & livelihood enhancement projects;

iii. Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centers & such other facilities for senior citizens & measures for reducing inequalities faced by socially & 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 setup 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 arts and handicrafts;

vi. measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

vii. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;

viii. Contribution to the Prime Minister‘s National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & 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 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).

(x) rural development projects.

(xi) 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.

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

(xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange.

6. SCOPE

A . Education.

i) Support to Technical /Vocational Institutions for their self-development.

ii) Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.

iii) Adult literacy amongst those belonging to BPL.

iv) Awareness Programmes on girl education.

v) Counselling of parents

vi) Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.

vii) Spreading legal awareness amongst people and disadvantageous sections of the society about their rights & remedies available.

viii) Promotion of Professional Education by setting up educational Institutions offering courses in Engg , Nursing , Management,

ix) Medicine and in Technical subjects etc.

x) Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get un interrupted education.

B. Water Supply including Drinking Water:

i) Installation/Repair of Hand Pumps/Tube Wells.

ii) Digging/Renovation of Wells.

iii) Gainful utilization of waste water from Under -ground Mines for Cultivation or any other purpose.

iv) Development/construction of Water Tank/Ponds.

v) Rain water-harvesting scheme.

vi) Formation of a Task Force of Volunteers to educate people regarding

vii) Proper use of drinking water.

viii) Empowerment to the villagers for maintenance of the above facilities for availability of water.

C. Health Care organizing, health awareness Camps

i) AIDS TB and Leprosy

ii) Social evils like alcohol, smoking, drug abuse etc.

iii) Child and Mothercare

iv) Diet and Nutrition.

v) Blood donation camps.

vi) Diabetics detection & Hypertension Camps

vii) Family Welfare.

viii) Senior Citizen Health Care Wellness Clinics.

ix) Fully equipped Mobile Medical Vans.

x) Telemedicine

xi) To supplement the different programme of Local/State Authorities.

xii) Along with De addiction centres

D. Environment

i) Organizing sensitizing programmes on Environment Management and

ii) Pollution Control.

iii) Green belt Development

iv) A forestation, Social Forestry, Check Dams, Park.

v) Restoration of mined outlands.

vi) Development of jobs related to agro product i.e., Dairy/Poultry/farming and others.

vii) Plantation of saplings producing fruit.

viii) Animal care

E. Social Empowerment

i) Self /Gainful Employment Opportunities – Training of Rural Youth for Self Employment (TRYSEM) on Welding, Fabrication, and other Electronic appliances.

ii) To provide assistance to villagers having small patch of land to develop mushroom farming, medicinal plants, farming & other cash crops to make them economically dependent on their available land resources.

iii) Training may be provided by agricultural experts for above farming.

iv) Organizing training programmes for women on tailoring Embroidery designs,

v) Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other

vi) Vocational Courses.

vii) Care for senior citizens.

viii) Adoption/construction of Hostels (especially those for SC/ST &girls)

ix) Village Electricity/Solar Light

x) To develop infrastructural facilities for providing electricity through Solar Lights or alternative renewal energy to the nearby villages. Recurring expenditure should be borne by the beneficiaries.

xi) Pawan Chakki as alternative for providing electricity in villages, etc.

F. Sports and Culture

i) Promotion of Sports and Cultural Activities for participation in State and National level.

ii) Promotion/Development of sports activities in nearby villages by conducting Tournaments like Football, Kabaddi and Khokho, Cricket etc.

iii) Providing sports materials for Football, Volleyball, Hockey sticks etc. to the young and talented villagers.

iv) Promotion of State level teams.

v) Sponsorship of State Sports events.

vi) Sponsorship of Cultural event to restore Indian Cultural Traditions and Values.

vii) Possibility of providing facilities for physically handicapped persons may be explored.

viii) Medias for preparing of documentary films.

ix) Guide-lines to be followed to promote sports activities by way of granting financial assistance/donation/sponsorship etc.

x) Registered Clubs/Institutions which promote Sports activities may be granted financial assistance/donations/sponsorship based on the following norms:-

1) Sports talent development programme by Clubs/Institutions may be encouraged provided the proposal is routed through the respective Government Authorities/Block Development Office/Sub-Divisional Office/District Office/State Associations/ local people representatives i.e. Panchayat ,Pradhan/Mukhiya/MLA/MP/ Minister etc., to ascertain bonafide objective, status of activities and contribution to the society.

2) Helping State Government in promotion of sports by providing them proper training facilities, grounds, construction offields, etc.

3) While sanctioning financial assistance/donation/sponsorship for State/ National/International events, Company could send its representatives to ensure proper utilization of fund for the specific purpose, as well as, to ensure publicity/coverage for corporate image building. 4) As per the Government policy for payment of financial assistance/donation/ sponsorship Registered Clubs/Institution will furnish details as required by Company. i.e. their Registration, PAN No. etc. to establish theirauthenticity.

xi) Generate self-employment.

xii) Infrastructure Support – construction, repair, extension etc. of:-

i. Auditorium,

ii. Educational Institutions

iii. Rural Dispensaries initiated by reputed NGOs.

iv. Mobile Crèches.

v. Bridges, Culverts &Roads,

vi. Check Dam vii. Shopping Complex to facilitate business/self employment for local people viii. Community Centre,

ix. Sulabh Souchalaya,

x. Yatri Shed in Bus Stand,

xi. Burning Ghat/Crematorium

xii. Development of Park

xiii. Play ground/Sports complex / Good Coaches.

xiv. Old Age Home.

7. The Geographic reach

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. The Company will thus give preference to conducting CSR activities in the State herein the Company has/will have its operations. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

8. Annual spends/Allocation of Funds Annual spends/Allocation of Funds i.e. CSR Expenditure

Company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial year , or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:

Provided that company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:

if the company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any surplus generated from CSR projects undertaken by us will be treated as per the provisions of the Companies Act, 2013 read with the relevant rules. These funds will be further used in development of the CSR projects or shall be transferred by the company to any fund included in Schedule VII to the Companies Act, 2013and will not be added to the normal business profits.

Any amount spent in excess of the requirement of the Section 135 of Companies Act, 2013, such excess amount may be set off against the requirement to spend, up to immediate succeeding three financial years subject to the conditions as specified under Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 relevant to section 135 of the Companies Act, 2013.

9. Administration of CSR Projects

The total budget for the CSR projects will be decided as a part of the Annual Operating Plans, priorities identified for each of the key focus areas by the CSR Committee. The Committee members along with the Board of Directors shall ensure that the administrative overheads shall not exceed 5 (five) percent of total CSR expenditure of Company for the Financial Year. Further, these will not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.

10. Implementation

The Board shall ensure that the CSR activities are undertaken by the company itself or through, –

(a) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or

registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 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, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or 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.

Explanation- For the purpose of clause (c), the term "entity" shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.]

Further, A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for 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 CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

11. Annual Action Plan:

The Board shall approve an Annual Action Plan including:

- List of CSR projects
- Implementation modalities
- Fund allocation and timelines
- Monitoring mechanism
- Impact assessment, if applicable.

The Board may modify the plan during the year.

12. Reporting

The Board-level CSR Committee will annually publish report on the CSR projects along with impact assessment reports (if any) as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013 read with relevant Rules, amendment(s), modification(s), if any.

The Chief Financial Officer ("CFO") of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilised towards the same effect.

In case of ongoing project, the Board of a Company 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.

13. Display of CSR activities on website:

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

14. Amendments to the policy:

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.