



CORPORATE SOCIAL RESPONSIBILITY POLICY

RCI INDIA PRIVATE LIMITED



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1. OBJECTIVES & SCOPE

RCI India Private Limited seeks to be compliant to the Companies Act 2013 (hereinafter referred to as the "**Act**") and Companies (Corporate Social Responsibility Policy) Rules, 2021 ("**CSR Rules 2021**") , which mandates Companies to spend the prescribed amount on recognized Corporate Social Activities as laid down by the Act.

The Policy also lays down guidelines for RCI India Private Limited (hereinafter referred to as the "**Company**") to make CSR as one of the key focus areas which is synergized to adhere to Company's global corporate social responsibility commitment that focuses on making a positive contribution to society through high impact, sustainable programs.

The policy also lays down guidelines for the Company to implement and monitor Corporate Social Responsibility activities as well as for the formulation of the annual action plan.

This Policy covers current as well as proposed corporate social responsibility (hereinafter referred to as "**CSR**") activities to be undertaken by the Company and examining their alignment with the Act as amended from time to time.

The Company proposes to implement its CSR activities in various sectors as provided under the Act.

2. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Following the CSR Rules 2021 and section 135 of the Act, the constitution of CSR Committee optional for Companies whose annual CSR obligation is less than INR 50 Lacs. Accordingly, the Board of Directors assumes direct responsibility of ensuring implementation of CSR activities.

2.1 Following are the responsibilities of the Board of Directors:

- (i) Monitor and review this CSR policy from time to time.
- (ii) Choose CSR activities as stated under Schedule VII of the Act for implementation.
- (ii) Formulate an Annual Action plan for implementing the CSR activity chosen.
- (iii) To ensure that the implementing agencies through which the CSR activities may be undertaken are registered with the Central Government by filing Form CSR 1 electronically. And that, the implementing agencies should have registered themselves under Section 12A and Section 80G of the Income Tax Act, 1961.
- (iv) Submit an annual budget and get the annual budget approved by the Board



of Directors. Any expenditure over and above the approved budget would need subsequent Board approval.

- (v) Shall ensure that the minimum CSR spend shall be as per the Act. In case the Company spends an amount in excess of the minimum during the given financial year, the excess amount spent can be set off with the spending requirement in the three subsequent financial years.
- (vi) Review the progress and implementation of CSR initiatives/ projects and give directions and recommendations thereof and record and maintain the minutes of meetings.
- (vii) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- (viii) The Board shall satisfy itself that the funds disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer of the Company or the person responsible for financial management of the Company who shall certify to that effect.
- (ix) CSR Annual Report to be annexed to the Board's Report. A new detailed format of annual report in the form of Annexure II has been introduced in the CSR Rules 2021. Annual report shall have to be signed by a Company director AND the Board Chairman.
- (x) The Board of Directors shall mandatorily disclose the CSR Policy and Projects approved by the Board on their website, if any, for public access.

2.2 Frequency of the Meetings to monitor Corporate Social Responsibility activities

The Board of Directors, shall meet at least once in a quarter in a year. The quorum for the meeting should be a minimum of 50% of the Board of Directors.

3. CSR BUDGET

The Board of Directors will meet to allocate the budget which will adhere to the Act.

3.1 Failure to spend the CSR money

In case the Company fails to spend the targeted amount in that particular financial year, the Board of Directors shall specify the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year.

In case the Company has not spent the CSR allocated budget in full, the Board shall have to transfer such unspent amount to an account specified in Schedule VII (ex: PM CARES, PM National Relief Fund) of the Act, within a period of six months of the closure of the financial year of the Company.



It is noted that in case the Company defaults in transfer of funds to the fund specified in Schedule VII or transfer the unspent amount to unspent CSR Account, the Company and every officer of the Company will be penalized as specified in the Act.

4. ANNUAL ACTION PLAN

The Board of Directors shall have to formulate and recommend to the Board an Annual Action Plan which shall include the following:

1. The list of CSR Programs to be undertaken in the areas specified in Schedule VII of the Act.
2. The manner of execution of the projects i.e. (either on its own or through an implementing agency).
3. Monitoring and reporting mechanisms for the CSR Programs.
4. Details of need and impact assessment, if any for the projects undertaken by the Company.

In line with the provisions of the Act" the Company shall undertake CSR activities included in its Annual Action Plan, as recommended by the Board of Directors, at the beginning of each year. The Board of Directors is authorized to approve any modification to the existing Annual Action Plan or to propose any new CSR Program during the financial year under review.

4.1 Disqualifying Activities for CSR

- Activities that are undertaken by the Company in pursuance of its normal course of business.
- Activities benefiting employees of the Company as defined in Section 2(k) of the Code on Wages 2019.
- Any amount directly or indirectly contributed towards any political party under Section 182 of the Act.
- Any activity undertaken by the Company outside India which except for training of Indian sports personnel representing a state or union territory at national level
- Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services.
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

5. POLICY REVIEW & FUTURE AMENDMENT

The Board of Directors shall review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.