



**CORPORATE SOCIAL RESPONSIBILITY  
POLICY**

Version	2
Approved on	August 12, 2016
Effective from	August 12, 2016

**Veritas (India) Limited**

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## **Background**

This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by Veritas (India) Limited (the Company) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014 and Companies Act 2013, shall apply to this CSR Policy.

Companies Act, 2013 has formally introduced the Corporate Social Responsibility to the dash board of the Indian Companies. Corporate Social Responsibility (“CSR”) is about how companies manage the business processes to produce an overall positive impact on society. Legal framework of CSR is an edge to Corporate Charitable/reformative approach towards the Society to which the Corporate is belonging to. By introducing the separate section for CSR in Companies Act, 2013, the Government has given legal recognition to their community development approach.

Company is much positive and appreciate the decision taken by the Government of India. We are also committed to creating value. However, we believe that creation of value should not be at the cost of the society. We recognize the significant effect our activities have—on employees, customers, communities, the environment, competitors, business partners, investors, shareholders, governments and others.

The management of the Company expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it.

Since inception, we have focused on achieving the ‘triple bottom line’ – people, planet and profit. It has been our constant endeavor to achieve growth in a socially and environmentally sustainable manner.

Accordingly, the board of directors of Company (“Board”) adopted a CSR Policy (“Policy”) at its meeting held on August 12, 2016, which can be amended from time to time. The policy has been last amended on August 10, 2022.

This Policy shall come into force with effect from the date of approval by the Board.

## **CSR Policy**

We are guided by the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India and accordingly are committed to:

- Conduct and govern our business with ethics, transparency and accountability
- Provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Promote the wellbeing of all employees
- Respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

- Respect and promote human rights
- Respect, protect, and make efforts to restore the environment
- Influence public and regulatory policy in a responsible manner
- Support inclusive growth and equitable development
- Provide value to customers and consumers in a responsible manner
- Undertake CSR activities in areas within the vicinity of our winery's operations so as to creating livelihoods for people, support rural development, improve the living environment;
- Acting in a socially responsible way;
- Continually improving our performance and meeting all relevant legislation;
- Encouraging our staff to be mindful of the effect of their actions on any natural resource

The Policy shall be governed by the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) ("Act").

### **Implementation and Governance**

The Company shall make CSR contribution to the activities as specified under Schedule VII of the Companies Act, 2013 and related rules including notifications and modifications made thereto, but contribution directly or indirectly to the political party, business done by the Company in its normal course, activities only for the benefit of employees and activities done outside India will not be considered as CSR activity.

The Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") in accordance with the provisions of Section 135 of the Act. The responsibility of the CSR Committee include:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- review and recommend the amount of expenditure to be incurred on the CSR activities;
- monitor the Policy its implementation from time to time; and
- any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

### **CSR Expenditure**

CSR Expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities specified in this policy as approved by Board on recommendation of CSR Committee only on the activities prescribed in this policy will be considered as CSR expenditure.

## **CSR Activities**

The followings are the broad categories of the activities under which the Company may work to undertake CSR activities:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water company can undertake programs for educating the peoples;
- Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art: setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the scheduled tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects;
- Slum area development; and
- Any other activities as listed in Schedule VII of the Act

## **Execution Process**

The Company may undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established by the Company or its holding or subsidiary or associate company established under Section 8 of the Act or otherwise.

The Company may also undertake CSR activities through any trust, society or a Section 8 company which is not established by the Company or its holding or subsidiary or associate company, if such trust, society or section 8 company shall be having an established track record of three years in undertaking similar programs or projects or where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

The Company may also collaborate with other companies for undertaking projects or programs 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 programs.

### **Surplus Arising from CSR Activity**

The surplus arising from CSR projects, programs or activities shall not form part of the business profits of the Company and shall be disposed off in accordance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors out of which one Director is an Independent Director:

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.

### **Identification of activities/projects:**

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the Organisation operates or at the place where its registered office is situated. The Committee shall record its findings and prioritize the CSR activities.

### **Responsibilities of the Board**

The responsibilities of the Board concerning CSR are as follows:

- Approving CSR Policy of the Company;
- Disclosing the content of the policy in its report and placing the policy on the Company’s website in the manner prescribed under section 135 of the Act;
- Ensuring that the CSR activities are related to the activities, areas or subjects included in Schedule VII of the Act;
- Ensuring that CSR projects included in the policy are undertaken by the Company;
- Ensuring that the Company spends, in every financial year, at least 2 percent of the average net profits made during the three immediately preceding financial years or such minimum budget as may be statutorily mandated under the law;
- Ensuring that reasons for not spending of earmarked amount are disclosed in the Board’s report in case the Company fails to spend such amount; and
- Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects.

### **Monitoring Mechanism**

To ensure effective implementation of the CSR programmes are undertaken, a monitoring mechanism will be put in place by the Company. The progress of the CSR programmes currently being implemented will be reported to the Board on a half-yearly basis. The CSR committee will conduct impact studies on a periodic basis, on the effectiveness of CSR Activity on the society, if applicable.

### **Reporting Mechanism**

CSR Committee will obtain feedback from beneficiaries about the ongoing CSR programmes and report the same to the Board. Appropriate documentation of the Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

The composition of the CSR Committee, the CSR Policy and projects approved by the Board shall be disclosed on the website of the Company.

CSR initiatives of the Company will also be reported in the Annual Report of the Company containing particulars as specified in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### **Amendments to the Policy**

The Board on its own and/ or as per the recommendations of CSR Committee can amend this Policy, as and when required. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the provisions of the Act thereunder on the subject, from time to time.

**Organisational Responsibility:** At organisational level for implementation of agreed CSR activity, the committee may constitute an implementation team or authorised any of the Department of the Company to organize for the implementation of the CSR activity. The team or respective department shall monitor the implementation process from time to time, on 5 behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

### **Management Commitment:**

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy. Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

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