



POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Dharma Productions Private Limited (the Company) a Private Company incorporated under the Companies Act, 1956 and having its registered office at Supreme Chambers, 201, 2nd Floor, Off Veera Desai Road, 17/18 Shah Industrial Estate, Andheri Mumbai, Maharashtra, 400053 has formulated and adopted this Corporate Social Responsibility Policy in terms of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).

Section 135 of the Companies Act, 2013, requires the Company to constitute a Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, on the recommendation of the CSR Committee constituted under this Act, this Policy was reviewed and Approved by the Board of directors of the Company

BACKGROUND:

The Company strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing food, clothes, medical facilities etc., keeping the environment clean and safe for the society by adhering to the best practices and technologies. It is the Company's intent to make a positive difference to society in which the Company lives and operates.

DEFINITIONS:

- **Company** means Dharma Productions Private Limited.
- **Act** means the Companies Act, 2013, as amended from time to time.
- **CSR Rules** means Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022, as amended from time to time.
- **Board** means Board of Directors of the Company.
- **CSR Project/Program** means the interventions undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act.
- **CSR Committee** means the Corporate Social Responsibility Committee constituted by the Board of Directors pursuant to Section 135 of the Companies Act, 2013.
- **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely: -
 - ✓ Any profit arising from any overseas branch or branches of the Company whether operated as a separate company or otherwise; and

- ✓ Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act 2013.
- **Policy** means this Corporate Social Responsibility Policy, as may be amended from time to time.
- **Administrative overheads** mean 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;
- **Ongoing Project** means a multi-year project undertaken by the 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 of Directors based on reasonable justification.

Words and expressions used and not defined in this Policy shall have the same meanings respectively assigned to them in the Act and the Rules.

SCOPE, APPLICABILITY AND POLICY GUIDELINES:

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring for the CSR activities to be undertaken by the Company.

This Policy shall be applicable to all CSR initiatives undertaken by the Company in pursuance of the requirements of Section 135 and Schedule VII of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force).

POLICY GUIDELINES:

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013.
- CSR projects or programmes or interventions (except training of Indian Sports Personnel representing any State or Union territory at national level or India at international level) must be undertaken in India.
- The Company may take help of International Organizations in designing, monitoring, and evaluating its CSR Projects, and in assisting with capacity building of its personnel. However, it is clarified that such organizations cannot take the responsibility of actual implementation of the CSR initiatives.
- CSR projects or programmes must not include the initiatives undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or Interventions that benefit only the employees of the Company shall not be considered as CSR.
- CSR interventions should be in project/programme mode. One-off events such as marathons/awards/charitable contribution /advertisement /sponsorship of TV programmes etc.



and any other sponsorship activity deriving marketing benefits for the company's products or services will not qualify as part of CSR expenditure.

- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.
- activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services are not considered as CSR activities
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India will not qualify towards CSR requirements.

OBJECTIVES OF COMPANY'S CSR:

The CSR policy intends to:

- Strive for social, cultural, environment and economic development that positively impacts the society at large with a minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders, society, etc.

ROLE OF THE BOARD OF DIRECTORS:

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.
- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy.
- Ensure that the Company, treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.

COMPOSITION OF CSR COMMITTEE:

- As per the requirement of Section 135 of the Companies Act, 2013, the CSR Committee formed by the Board of Directors in accordance with requirement of provisions of the Companies Act,2013.
- The CSR Committee shall comprise of at least two or more Members who are to be appointed from amongst the Board of Directors of Company.

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- The Board of Directors shall at its sole discretion, have the power to appoint any Member, remove any such Member so appointed and appoint another in his/her place. Any such appointment and/or removal shall be made by a resolution of the Board.
- The Chairperson of the CSR Committee shall be designated by the Board of Director from amongst the Committee members.
- The Board of Director will have the power to reconstitute CSR Committee as and when required from time to time.
- The CSR Committee may nominate any official of the Company other than the Board of Directors of the Company to help execute and monitor implementation of the CSR activities.
- The CSR Committee may meet as and when required. The CSR Committee shall be entitled to invite any person to attend its Meetings and participate in the discussion and deliberations if it thinks fit.
- The quorum necessary for the transaction of business of CSR Committee shall be Two (2) Members (present in person or by any other permissible means).
- A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee as provided herein and delegated by the Board of Directors from time to time.

ROLE OF THE CSR COMMITTEE:

The Committee shall carry out of the following functions:

1. Formulation and review of this CSR Policy indicating the activities to be undertaken by the Company towards CSR initiative and ensuring compliance of CSR Policy;
2. Formulation and recommendation of an annual action plan consisting of the CSR objective for the year, the list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013 to the Board, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken;
3. Review of implementation of the CSR programmes once in a year and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this policy;
4. Recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
5. Any such other functions as may be delegated by the Board from time to time.
6. Any other requirements mandate under the Act and Rules issued there to



LIST OF ACTIVITIES/PROJECTS:

The Company shall undertake any of the following Activities/Projects or such other activities / projects stated by this CSR Policy in compliance with CSR Rules as amended from time to time as well as activities listed in the Schedule-VII of the Companies Act, 2013 as amended or modified from time to time and as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries;
6. promotion and development of traditional arts and handicrafts;
7. Measures for the benefit of armed forces veterans, war widows and their dependents;
8. Training to promote rural sports, nationally recognized sports, Paralympic and Olympic sports;
9. 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 scheduled castes, the scheduled tribes, other backward classes, minorities and women;

ANNUAL ACTION PLAN:

The CSR Committee will, in pursuance of the CSR policy, formulate and recommend to the Board, an annual action plan which shall include the following, namely: -

- a) The list of CSR projects or programmes that are approved, to be undertaken in areas and subjects specified in Schedule VII of the Act;
- b) The manner of execution of such projects or programmes;
- c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) Monitoring and reporting mechanism for the projects or programmes; and
- e) Details of need and impact assessment, if any, for the projects undertaken by the Company; Provided that Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.



AREAS / LOCALITIES TO BE COVERED:

Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Companies Act, 2013 (the "Act") as amended from time to time. (Collectively referred to as "CSR Activities") The Company shall under take CSR Activities only in India. Provided that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR Activities.

PARTNERING ORGANISATION:

CSR initiatives will be implemented through implementing agencies The implementing agencies being considered for a partnership will need to comply with the following criteria:

- A company established by the Company either singly or along with any other company and can be a company established under Section 8 of the Companies Act, 2013 /Registered Public Trust / Registered Society with a registration under Section 12A and Section 80G of the Income Tax Act, 1961, or
- A company registered under Section 8 of the Companies Act, 2013 / Registered Public Trust / Registered Society with a registration under Section 12A and Section 80G of the Income Tax Act, 1961 and with an established track record of at least 3years, or
- Any entity established of Parliament or State Legislature, or
- A company established under section 8 of the Act or a registered trust or a registered society, by the Central or State Government,
- The NGO / Agency will need to have a permanent office in India;

All implementing partners sufficing any of the above-mentioned conditions will need to register themselves with the Central Government by filing e-form CSR-1 electronically and obtain a unique CSR Registration Number from the MCA.

The Company may also collaborate with other companies to undertake CSR Projects or Programmes, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programmes

The Company shall not make any payment directly or indirectly to Political Party(ies) for CSR Activities.

QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES:

The Company shall strive to spend in every financial year at least 2% (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 and subject to Section 135 of the Companies Act, 2013 and the Rules made there under.

Average net profits mentioned hereinabove means, net profit before tax as per the books of accounts of the Company as computed under section 198 of the Act.



Any surplus arising out of CSR Activities shall not form part of the business profit of the Company and same shall be spent for undertaking any above-mentioned CSR activities only.

Salaries paid by the Company to regular CSR staff as well as to volunteers of the Company (in proportion to Company's time/ hours spent specifically on CSR) shall be factored into CSR project cost as part of the CSR expenditure.

FUNDING AND ALLOCATION:

For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The Company shall undertake impact assessment, through an independent agency, if its average CSR obligation is of rupees ten crore or more and for their CSR projects having outlays of rupees one crore or more, and which have been completed not less than one year before undertaking the impact study, as required by the law.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent, then such an unspent amount will be allocated towards such ongoing project for spending in any of the three succeeding financial years and will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year. For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

The Board of Directors will satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the person responsible for financial management will certify the same to that effect.



PROCEDURE FOR CSR ACTIVITIES:

1. The Committee shall recommend to the Board the CSR Activities to be undertaken for the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
2. The Board shall give its approval based on the recommendation of the Committee and in compliance of this Policy;
3. The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.
4. The Committee, after approval, shall submit the regular report giving status of the CSR Activities undertaken, Expenditure Incurred and such other details as may be required the Board.

MONITORING:

- The implementing partners will report periodically the progress of the project activities, the utilization of funds disbursed and plans for sustainability of the project.
- The CSR Committee will monitor and review on a regular basis or as and when required the progress of CSR initiatives undertaken.
- The fund utilization made in projects as approved by the Board, will be certified by the person responsible for financial management of the Company.
- Applicable projects, as required by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall be subjected to an in depth impact study to assess the impact created through the project.
- In case of deviation in implementation as defined in the annual action plan, such changes will be approved by the CSR Committee and the Board of Directors of the Company.
- In order to ensure transparency and communication with all stakeholders, the CSR Policy and the list of approved projects will be uploaded on the Company's website and made available in the public domain.