

ANTRIX CORPORATION LTD

(A Government of India Company under Department of Space)

CORPORATE SOCIAL RESPONSIBILITY

&

SUSTAINABILITY POLICY

**Antariksh Bhavan Campus, New BEL Road,
Bengaluru – 560 094.**

POLICY STATEMENT

Antrix Corporation Limited (ACL) believes in inclusive growth by addressing the socio, economic and environmental concerns for the well-being of the society through its Corporate Social Responsibility (CSR) initiatives.

CSR & SD Committee shall formulate and recommend the CSR policy to the Board; recommend the expenditure to be incurred on CSR activities; monitor the CSR policy of the company from time to time and formulate and recommend to the Board, an annual action plan in pursuance of CSR policy. CSR being a Board-driven process, Board approves the CSR policy, places policy on the company's website, ensures the company spends the stipulated amount as per the statutory provisions and guidelines, satisfies itself regarding the utilization of the disbursed CSR funds etc.

1. Objectives

1.1 ACL will

- a) Integrate the philosophy of CSR & Sustainability with the core values of the Company.
- b) Set-up a suitable mechanism for effective implementation of the CSR & SD activities as approved by Board.
- c) Report CSR & Sustainability activities on an annual basis in the Annual Report.
- d) Implement CSR & SD activities in a transparent and socially responsible manner so as to achieve the intended purposes.
- e) Instill the sense of CSR & Sustainability development in the organization through awareness and training programs to ensure effective implementation of the activities.

2. Terms and definitions

2.1 **“Corporate Social Responsibility (CSR)”** means the activities undertaken by the Company in pursuance of its statutory obligations laid down under Section 135 of the Companies Act, 2013, read with relevant rules made thereunder but shall not include the following:

- 2.1.1 Activities undertaken in pursuance of normal course of business of Company;
- 2.1.2 Any activity by Company outside India, except for overseas sports

- trainings of Indians representing State/UT at national / international level;
- 2.1.3 Contribution directly/ indirectly to any political party under Section 182 of the Companies Act, 2013;
 - 2.1.4 Activities benefitting employees as defined in Code on Wages, 2019
 - 2.1.5 Activities supported on sponsorship basis for deriving marketing benefits for its products/services;
 - 2.1.6 Activities carried out for fulfilment of any other statutory obligations under any law in force in India;
 - 2.1.7 One-off events such as marathons/awards/charitable contributions/ advertisements/sponsorship of TV programs /events involving celebrities, specifically for entertainment purposes, etc.
- 2.2 **“CSR & SD Committee”** means the Corporate Social Responsibility & Sustainable Development Committee of the Board formed in accordance with Section 135 of the Companies Act, 2013 and DPE Guidelines as applicable to CPSEs.
- 2.3 **“Project”** means an activity which entails planning the stages of execution in advance by fixing targets at different milestones, with pre-estimation of the quantum of resources required within the allocated budget, and having a definite time span for achieving the desired outcomes.
- 2.4 **“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 CSR & SD Committee based on reasonable justification.
- 2.5 **“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.
- 2.6 **“Local Area”** for the purpose of CSR & SD activities, means the State of Karnataka and areas where the Company operates, directly or indirectly.
- 2.7 **“International Organization”** is defined as an organization notified by the Central Government as an international organization 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.

3. Scope of CSR activities

3.1 The scope of ACL's CSR activities would be as per the provisions made under the Companies Act, 2013 ("**the Act**") and relevant rules made thereunder, DPE Guidelines and circulars issued under the Act from time to time for the CSR activities.

3.2 This Policy relates to the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act.

4. CSR Budget

4.1 In every Financial year, the budgetary allocation for CSR expenditure shall be at least 2% of the Average Net Profit made during immediately preceding three financial years, on its CSR activities as per the provisions of Companies Act, 2013.

4.2 For all the CSR Projects / activities allocation of the funds (budget) shall be made by the Board.

5. Allocation

5.1 CSR Budget will be utilized for undertaking CSR activities as specified in the Schedule VII of the Companies Act, 2013 & amendments thereof, on a yearly basis. List of CSR activities covered in Schedule VII is enclosed as **Annexure –A** which stands deemed amended as and when Schedule VII is amended.

5.2 The Company shall give preference to the themes approved by the Competent Authority for CSR activities by the Company in the local area, including aspirational districts as notified by DPE.

6. CSR Fund Management

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

6.2 Prior to the selection of CSR activities, baseline/ need assessment survey is strongly recommended, for any major CSR activity. The expenditure on baseline/need assessment survey shall be met from the overall limit of 5% of administrative expenditure of the financial year.

- 6.3 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.
- 6.4 Any amount remaining unspent, pursuant to any ongoing project, shall be transferred by the Company, within a period of thirty days from the end of the financial year, to a special account to be opened by the Company in any scheduled bank to be called the “**Unspent Corporate Social Responsibility Account**”. Such unspent amount shall be spent by the Company, in pursuance of its obligations towards Corporate Social Responsibility & Sustainability 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 thirty days from the date of completion of the third financial year.
- 6.5 Any surplus arising out of the CSR projects or programmes or activities shall not form part of the Business profit of the company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR policy and the annual action plan of the company or transfer such surplus amount to a Fund specified in the Schedule VII, within a period of six months of the expiry of the financial year.
- 6.6 If the Company spends an amount in excess of requirement i.e. 2% of profits as stipulated in the Act and the CSR Rules, such excess amount may be set off against the requirement to spend upto the immediately succeeding three financial years subject to the condition that-
- (i) The excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.
 - (ii) The Board of the Company shall pass a resolution to that effect.
- 6.7 The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –
- (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 or
 - (ii) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or

- (iii) A public authority means any authority, body or institution of Government established or constituted (a) by or under the Constitution of India; (b) by any other law made by Parliament; (c) by any law made by State:

7. CSR Planning

- 7.1 The intention to undertake CSR activities will be given wide publicity to enable a wider reach and the proposals received will be duly considered by the CSR & SD Committee. The proposals may also be made by the company on the basis of the impact assessment of any successfully completed project. Further, the other government departments concerned may also be consulted to get appropriate proposals.

8. CSR Implementation

- 8.1 The Board of Directors must ensure that CSR activities can be undertaken by any of the following duly considering various relevant parameters including inter alia feasibility of effective planning and supervision, availability of skilled manpower for the relevant activity, previous experience etc.

8.1.1 The Company itself or

8.1.2 A Company established under the Section 8 of the Companies Act, 2013 or a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961, established by the Company either singly or along with any other Company; or

8.1.3 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

8.1.4 Any entity established under an Act of Parliament or a State legislature; or

8.1.5 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 80G of the Income Tax Act,1961 and having an established track record of at least three years in undertaking similar activities.

- 8.2 Every entity, covered under clause 8.1 above, who intends to undertake any CSR activity, must be registered with the Central government by filing the form CSR – 1 electronically with the Registrar of Companies, with effect from 01st day of April,2021 and must have the unique registration number generated by the Govt. portal meant for this purpose.

- 8.3 ACL may 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 and individually on such projects or activity viz., amount spent, activities undertaken, compliance to statutory provisions etc.
- 8.4 The Company may engage the services of international organizations for:
- 8.4.1 Designing, monitoring & evaluation of the CSR projects
 - 8.4.2 Capacity building of own personnel for CSR.

9. CSR Monitoring Mechanism

- 9.1 The CSR & SD Committee shall formulate an annual action plan, on the basis of identified CSR activities/projects which shall include the following namely:
- 9.1.1 The list of CSR projects or programmes relating to activities that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - 9.1.2 The manner of execution of such projects or programmes;
 - 9.1.3 The modalities of utilization of funds and implementation schedules of the projects or programmes;
 - 9.1.4 Monitoring and reporting mechanism for the projects or programmes;
 - 9.1.5 Details of need and impact assessment, if any, of the projects undertaken by the Company.
- 9.2 The Annual Action Plan thus finalized shall then be recommended in such form as deemed fit by the CSR & SD Committee to the ACL Board for its approval.
- 9.3 The Annual Action Plan may, however, be amended/modified by the Board at any time during the financial year as per the recommendation of the CSR & SD Committee as deemed necessary.
- 9.4 In case of ongoing projects, the Board shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modification, if any, for the smooth implementation of the project within the overall permissible time period.

10. CSR Reporting

- 10.1 The Board of the Company shall satisfy itself that the funds so disbursed have

been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to that effect.

10.2 The Board's report of the Company shall include an annual report on CSR, containing particulars as prescribed under the Companies Act 2013.

10.3 Impact Assessment

10.3.1 If the average CSR obligation is Rs.10 Crores or more in the three immediately preceding financial years, then the Company shall make an impact assessment, of its CSR projects, having outlays of Rs. 1 crore or more, which may be undertaken after one year of project completion, through an independent agency.

10.3.2 The Company shall incur an expenditure towards impact assessment limited to two percent of its total CSR expenditure for that financial year or Rs 50 Lakhs, whichever is higher.

10.4 The impact assessment report shall be placed before the Board and shall be annexed to the Annual report on CSR.

11. CSR DISCLOSURE

11.1 The Company shall mandatorily disclose the composition of the CSR & SD Committee, CSR policy and projects approved by the Board on their website, for public access.

11.2 Sustainability Reporting and disclosure may be followed, wherein the Company will report its performance in economic, social and environmental areas as per the statutory requirements from time-to-time.

12. Miscellaneous

12.1 The CSR Policy of the ACL is intended to be in conformity with the provisions of the Companies Act, 2013, rules made thereunder and the DPE Guidelines on CSR. In case of any contradiction between this policy and the provisions of the Companies Act, Rules and circulars issued in this regard, the latter shall prevail.

12.2 The Company reserves the right to modify, cancel, add or amend any of the provisions of this policy, if any contravention to statutory provisions is noticed.

Areas of CSR initiatives (in line with the Schedule VII of the Companies Act, 2013 and amendments thereof):

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
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, promotion and development of traditional art and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports
8. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
9. 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
10. 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)

11. Rural development projects
12. Slum area development
13. 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
14. Disaster management, including relief, rehabilitation and reconstruction activities
