

Corporate Social Responsibility Policy

Table of Contents

Background.....	3
Definitions	3
1. Act	3
2. Corporate Social Responsibility (CSR)	3
3. Net profit.....	3
4. CSR Expenditure.....	4
5. CSR Committee	4
CSR Activities	4
Execution process	5
Utilization of fund.....	5
Surplus arising from CSR activity	5
Amendments to the Policy	6
Grievance Redressal Mechanism	6

Background

Corporate Social Responsibility (“CSR”) is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Corporates must recognize that their business activities have wide impact on the societies in which they operate.

This policy shall apply to all CSR initiatives and activities taken up at the various work-centers and locations of **Digital Gold India Private Limited** (*hereinafter referred to as “the Company”*), for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

Accordingly, the Board of Directors of the Company (“Board”) has adopted a CSR policy at its meeting held on 31st March, 2023 which can be amended from time to time.

Definitions

1. Act

“Act” means 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).

2. Corporate Social Responsibility

“Corporate Social Responsibility” or “CSR” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act, but shall not include the following:

- i. activities undertaken in pursuance of normal course of business of the Company;
- 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 Company on sponsorship basis for deriving marketing benefits for its products or services; and
- vi. activities carried out for fulfillment of any other statutory obligations under any law in force in India.

3. Net Profit

“Net profit” means the net profit of a Company as per its financial statements 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; and

- ii. Any dividend received from other companies in India which are covered under and complying with the provisions of section 135 of the Act.

4. 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. Expenses on activities other than the ones prescribed in this policy will not be considered as a CSR Expenditure. Further, the CSR projects or programs or activities undertaken in India shall amount to CSR Expenditure only.

5. CSR Committee

“CSR Committee” means the committee constituted under the provisions of Section 135 of the Act.

(Note: As per the provisions of Section 135 (9) of the Companies Act, 2013, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable, as Company need not spent any amount on CSR activities due to negative profit, hence functions of Committee provided under this section shall be discharged by the Board of Directors.)

CSR Activities

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

- i. 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.
- ii. Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. 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;
- iv. 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;
- v. 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;
- vi. 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;
- vii. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister’s National Relief Fund or any other fund or Prime Minister’s citizen Assistance and Relief in Emergency Situation Fund (PM CARES 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;
- 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;
- xii. disaster management, including relief, rehabilitation and reconstruction activities
- xiii. Any other activities as listed in Schedule VII of the Act and any amendment thereof.

Execution process

The Company shall undertake its CSR activities in line with its Board approved Policy, through a registered trust or a registered society or a company established by the Company or its Holding or Subsidiary or Associate Company under section 8 of the Act or otherwise.

The Company may also undertake CSR activities through any trust, society or section 8 Company which is not established by the Company or its Holding or Subsidiary or Associate Company, provided such trust, society or section 8 company is 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.

Utilization of fund

The Company shall utilize at least 2 percent of the average net profit of the Company made during the last three (3) immediately preceding financial years in the CSR activities as enumerated above in this policy. In any case, if in any year company fails to spend such amount on CSR, the Board will, in its report made under section 134 (3) (o) of Companies Act, 2013, specify the reasons for not spending the amount.

Surplus arising from CSR activity

Any surplus arising out of the CSR projects, programs or activities will not form part of the business profit of the Company and shall be treated in the following manner:

- a) ploughed back into the same project;
- b) shall be transferred to the Unspent CSR Account opened by the Company, from which the said amount shall be spent in pursuance of CSR policy and annual action plan on the Company; or
- c) such surplus will be transferred to a Fund specified in Schedule VII to the Act, within a period of six months of the expiry of the financial year.

Amendments to the Policy

The Board on its own 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.

Grievance Redressal Mechanism

Anyone who wants to raise grievance under this Policy, should reach out to the Company Secretary, at Khushboo.mittal@safegold.in (“Grievance Redressal Officer”). The board of directors of the Company shall authorize the Managing Director of the Company to approve any appointment, removal or change the Grievance Redressal Officer under this Policy, whenever any such change is required for any reason whatsoever.