



Stallion Asset Private Limited

CORPORATE SOCIAL RESPONSIBILITY POLICY

Stallion Asset Private Limited

Index

Sr. No.	Particulars	Page No
1.	Why CSR	3
2.	Preamble	3
3.	Purpose	3
4.	Definitions	3
5.	CSR Committee	5
6.	Responsibilities of the board of directors	6
7.	Identification of CSR Activities	6
8.	Implementation of CSR Activities	7
9.	Monitoring and reporting on CSR Activities	8
10.	CSR Expenditure	8
11.	Quantum of CSR Investment	9
12.	Exclusion from CSR Activities	9
13.	Impact Assessment	10
14.	Penalty	10
15.	Amendments to the CSR Policy	10
16.	CSR REPORTING	10
17.	Uploading of the Policy on Company's website	11

Stallion Asset Private Limited

1. **WHY CSR:**

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the ecological, physical and social environment in which it operates. CSR is a self-regulation business model through which corporate entities achieve balance on economic, environmental and social imperatives with their operations and development. It is a step towards organizations to become socially responsible corporate citizens and creates positive impact on the environment, communities and societies.

2. **PREAMBLE:**

Stallion Asset Private Limited is a responsible corporate organisation. It strives for the overall betterment of the society at large. It has always been committed to social service. It has repeatedly organised a part of its resources and activities in such a way that it positively affects the society socially, morally, ethically and environmentally.

To this end, the Company seeks to undertake Corporate Social Responsibility ("CSR") activities, which extend beyond the scope of the business and focuses on human, environmental and social assets, with a special focus on addressing hunger, malnutrition, education and health.

3. **PURPOSE:**

In conformity with requirements laid down under Section 135 of the Companies Act, 2013 ("Act") and Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") including any amendments thereto and re-enactment thereof for time being in force and circulars issued by the Ministry of Corporate Affairs ("MCA"), a "CSR Policy" of the Company was adopted by the Board of Directors at their meeting held on 03rd September 2024 duly recommended by the Corporate Social Responsibility Committee at their meeting held on 03rd September 2024.

4. **DEFINITIONS:**

"Act" means the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.

"Administrative Overheads" means the expenses incurred by the Company for 'general management and administration' of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.

"Approved Budget" shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.

"Board" means the Board of Directors of the Company.

"Company" shall mean Stallion Asset Private Limited and wherever the context requires, shall signify the Company acting through its Board.

Stallion Asset Private Limited

“CSR Annual Plan” shall mean the annual plan detailing the CSR expenditure for the year.

“CSR Committee” shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.

“CSR Expenditure” means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, including the following:

- Contribution to CSR Projects which shall be implemented and/or executed by the Company;
- Contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by Trust;
- Any other contributions covered under Schedule VII of the Act.

“CSR Activities” means projects/programs/initiatives, instituted in India, either new or on-going, to be undertaken by Company in India, pursuant to Section 135 of the Companies Act 2013 along with CSR Rules or such other provisions as may be applicable from time to time as may be amended.

“CSR Policy” means the policy of the Company which relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon.

“Financial Year” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

“Net Profit” means Net profit as per its financial statement with the applicable provisions of the Act, but doesn't include:

- 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 Act.

“Ongoing Project” means a multi-year project that a Company undertakes to fulfill its CSR obligation within three years, excluding the financial year it was commenced, and shall include projects that were initially not approved as multi-year projects but whose duration is extended beyond one year by the Board based on reasonable justification.

“Rules” shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

“Thrust Areas” shall have the meaning as ascribed to them as per provision “Point 6” of the Policy.

“Trust” means a Trust created and registered under the India Trusts Act, 1882 by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group Companies.

Stallion Asset Private Limited

5. CSR COMMITTEE:

The Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of 2 (two) or more Directors.

In future, if the Company qualifies under Section 149(4) of the Companies Act 2013 to appoint an independent director then the CSR Committee shall have at least 3 (three) Directors, out of which at least one Director shall be an independent director.

Where the amount required to be spent by a company on CSR does not exceed Rs. 50 (fifty lakh rupees), the requirement for constitution of the CSR Committee is not mandatory and the Board of Directors can discharge the duties of the CSR Committee.

Since the to be spent is less than Rs. 50 lakhs there is no requirement to form a committee the Board will form a committee as and when the amount to be spent exceeds Rs. 50 Lakhs

• POWERS AND FUNCTIONS OF CSR COMMITTEE:

The CSR Committee of the Company is vested with the following functions and powers:

- To formulate a CSR Policy and recommend to the Board for approval;
- To recommend CSR Activities to be undertaken by the Company as specified in Schedule VII of the Act and rules made thereunder;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor and amend the Corporate Social Responsibility Policy of the Company from time to time as may be required;
- To carry out any other function as mandated by the Board from time to time.

• MEETINGS OF CSR COMMITTEE:

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary:

- The CSR Committee shall meet at least once in every financial year;
- The quorum for the CSR Committee Meeting shall be one-third of its total strength of directors or two members, whichever is higher;
- The membership of the CSR Committee shall be disclosed in the Board Report;
- If CSR activities are outsourced to any external organization, a representative from such organization may be invited to attend a meeting of the CSR Committee;

Stallion Asset Private Limited

- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio-visual means as may be convenient;
- The proceedings of the Meetings of the CSR Committee must be minuted and signed by the Chairperson of the Committee at the subsequent Meeting.

6. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The following are the duties and responsibilities of the Board of Directors of the Company:

- i. Approve the CSR Policy and take note of CSR expenditures on periodic bases.
- ii. Ensure the CSR spending every financial year of at least 2% of average net profits made during immediately preceding 3 financial years, in pursuance with the CSR Policy.
- iii. Ensure that CSR activities included in the CSR Policy are undertaken by the Company and that such activities are related to the activities specified in Schedule VII of the Act subject to the approval of Managing Director of the Company.
- iv. Ensure disclosure of the contents of the CSR Policy on the Company's website.
- v. Ensure disclosure in the Directors' report pertaining to the following:
 - Contents of the CSR policy and constitution of the CSR Committee;
 - An annual report on the CSR in the prescribed format as per Annexure A of this CSR Policy;
 - Reasons for failure (if any) to spend required amount on CSR activities.
- vi. Authorize executives of the Company to attend the CSR Committee meetings.

7. IDENTIFICATION OF CSR ACTIVITIES:

The Company is eligible to undertake any rightful/suitable activity as specified in Schedule VII of the Act. At present, the Company shall focus to undertake all the activities as Thrust Areas which are reproduced below:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the 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 centres 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;

Stallion Asset Private Limited

- 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 arts and handicrafts;
- Measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
 - 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
 - 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 Defence 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).
- Rural development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.

8. IMPLEMENTATION OF CSR ACTIVITIES:

The Company shall implement the identified CSR activities by the following means:

- The Company may itself implement the identified CSR activities presently within the scope of the Thrust Areas as defined in the Policy;
- The Company may also implement identified CSR activities presently through its Trust which is involved in CSR activities within the scope of the Thrust Areas as defined in the Policy;

Stallion Asset Private Limited

- The Committee may undertake the CSR activities through following implementing agencies:
 - (i) A Company established under Section 8 of the Act;
 - (ii) A Registered Public Trust;
 - (iii) A Registered Society

established by the Central Government or State Government either singly or along with any other Company having a track record of at least 3 years in undertaking similar activities established under an Act of Parliament or a State Legislature.

9. MONITORING AND REPORTING ON CSR ACTIVITIES:

- The Board has instituted “transparent monitoring mechanism” for various CSR Projects / Programs / Activities undertaken by the Company;
- The board shall review the implementation of the approved CSR Program;
- The performance of the Company’s CSR activities shall be reviewed and monitored by the board;
- The board of directors shall be responsible for monitoring the expenditure on CSR activities with respect to the plan;

10. CSR EXPENDITURE:

The annual CSR budget would be approved by the Board on the recommendations of the CSR Committee, subject to the provisions of the Act and Rules made thereunder as amended from time to time. Based on the total approved budget, funds would be allocated for different projects on the basis of identified CSR plan on yearly basis.

The average net profit for the purpose of determining the spending on CSR activities is to be computed in accordance with the provisions of section 198 of the Act and will also be exclusive of the items given under rule 2(1)(h) of the Companies (CSR Policy) Rules, 2014.

Section 198 of the Act specifies certain additions / deletions (adjustments) to be made while calculating the net profit of a Company (mainly it excludes capital payments / receipts, income tax, set-off of past losses).

11. QUANTUM OF CSR INVESTMENT:

In pursuant to the provisions of Section 135(5) of the Act, the board of the Company shall ensure that the Company spends in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years on the CSR activities of the Company specified under Schedule VII of the Act.

If the Company has not completed the period of three financial years since its incorporation, but it satisfies any of the criteria mentioned in section 135(1), the CSR provisions including spending of at least two per cent of the average net profits made during immediately preceding financial year(s) are applicable.

Stallion Asset Private Limited

If the Company fails to spend such amount which is not related to any ongoing projects, the Board shall in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer such unspent amount to a Fund specified under Schedule VII within a period of six months of the expiry of the financial year.

In case the unspent amount relates to any ongoing projects, subject to fulfilling of prescribed conditions, unspent amounts to 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 that behalf for that financial year in any scheduled bank to be called the “Unspent Corporate Social Responsibility Account”. Such amount shall be spent by the Company in pursuance of its obligation towards the 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.

The administrative overhead up to five percent of total CSR expenditure of the Company for the financial year is permitted.

Any surplus arising out of CSR activities shall be prohibited to form part of business profits 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 or transfer such surplus amount to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year.

If the Company spends an amount in excess of requirement, such excess amount may be set off against the CSR spending requirement up to immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities.

12. EXCLUSION FROM CSR ACTIVITIES:

The following activities are specifically excluded from being considered as eligible CSR activity and shall not form part of the CSR activities of the Company:

- Any CSR activities undertaken in pursuance of normal course of business of a Company except research and development activity of new vaccine, drugs and medical devices related to COVID- 19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions;
- Any CSR activities which benefit only the employees of the Company and their families as defined in section 2(k) of the Code on Wages, 2019;
- Any CSR projects/programs undertaken outside India except for training of Indian sports personnel representing any State or Union Territory at national level or India at international level
- A contribution of any amount directly or indirectly to any political party under section 182 of the Act or any funds directed towards political parties or political causes;
- Any sponsorship activities for deriving marketing benefits for products / services;

Stallion Asset Private Limited

- Any activities for fulfilling statutory obligations under any law in force in India.

13. IMPACT ASSESSMENT:

If the Company having average CSR obligation of Rs. 10 Crores (Rupees Ten crores) or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, the Company will undertake impact assessment (through an independent agency) for CSR projects that have outlays of Rs. 1 crore or more and have been completed at least one year before undertaking the impact study and the impact assessment reports will be placed before the Board and disclosed as per the Act and CSR Rules.

The expenditure towards impact assessment for the financial year shall not exceed two percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

The Company shall annex the impact assessment report to the Annual Report on CSR.

14. PENALTY:

If the Company is in default in complying with the provisions of section 135(5) or 135(6) of the Act, the Company shall be liable to a penalty of twice the amount required to be transferred by the Company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or Rs. 1 crore, whichever is less, and every officer of the Company who is in default shall be liable to a penalty of 1/10th of the amount required to be transferred by the Company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or Rs. 2 lakhs, whichever is less.

15. CSR REPORTING

The Board of Directors in its annual report shall include the details of the CSR activities undertaken in the financial year.

The CSR Committee shall provide a responsibility statement on the implementation and monitoring of the CSR Policy and that it is in compliance with CSR objectives of the Company, which statement shall form part of the Directors' report.

16. AMENDMENTS TO THE CSR POLICY:

The Board of Directors of the Company shall have the powers to revise / modify / amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee.

Any subsequent amendment / modification in the CSR Rules made by the MCA, under the Act and/ or any other laws in this regard shall automatically apply to this Policy.

Stallion Asset Private Limited

17. UPLOADING OF THE POLICY ON COMPANY'S WEBSITE

The Company shall display on its website the contents of its CSR Policy and other information as may be required to be displayed as per the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The policy is approved by the board of directors on 03rd September 2024.