

**RIKHAV SECURITIES LIMITED
CORPORATE SOCIAL RESPONSIBILITY
POLICY**

Submitted and Approved by: Board of Directors

CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. About Company:

RIKHAV SECURITIES LIMITED was incorporated on 21st March 1995, is one of the professionally managed Shares & Stock brokers. The company's objective is to be a leader in providing a full-service brokerage house – to provide comprehensive advisory services to the client and to offer complete management of their financial planning requirements. Our major business focus has been on the development of Arbitration, HNI clients & Retail clients. Currently, one of the Company's key strengths is the diverse portfolios held by its board of directors – some of which include the Cash and Derivatives side of the Capital Market, investing in IPOs, etc.

The company has modernized computerized operations with the state-of-art technology. Our clients also have access to Internet based client-trading services in the equities and derivatives segment. Our group of professionals does ensure the best available services for trading, depository, online Back office etc. We believe 'Research Delivers and Research Differentiates'.

2. Objectives of the Policy:

The objectives of this policy are:

- (a) To set forth the company's Corporate Social Responsibility Policy as stipulated in the Section 135 of the Companies Act, 2013 and the rules thereof
- (b) To identify and formulate the broad areas the company shall pursue towards fulfilling its CSR obligations
- (c) To serve as a guiding document to plan, identify, implement and monitor CSR initiatives

3. Scope of the Policy:

This policy is applicable to all regular employees and trainees across business units at all locations of the Company.

4. Focus areas of CSR:

In accordance with the requirements under the Companies Act, 2013, CSR activities, amongst others, will focus on:

- 1. Promoting education including special education and employment enhancing vocational skills especially among children, women and the differently abled and livelihood enhancement projects;

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The Company may contribute to other areas of interest as permitted under Schedule VII of the Companies Act.

5. Governance Structure:

Pursuant to The Companies (Amendment) Act, 2020, where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) of section 135 of Companies Act, 2013 for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

Since the amount to be spent for CSR Activities is less than INR 50 Lakh, the functions of CSR committee shall be discharged by the board of Directors of the Company. The Company shall constitute CSR Committee as and when amount to be spent on CSR Activates is INR 50 Lakh or more.

The management will identify Suitable projects/ activities to be undertaken by the Company under CSR and place before the Board for approval.

The CSR Projects / Activities will be implemented after approval of Board.

6. Budget:

A specific budget shall be allocated for CSR activities alongwith the projected plan on an annual basis. The amount & the projected plan shall be approved by the Board as per the requirements laid out in the Section 135 of the Companies Act 2013.

The total budget proposed for the CSR projects covered under this policy shall be 2% of the average net profits of Company made during the three immediately preceding financial years; where the 'net profit' is calculated as mentioned in Section 135 of the Companies Act 2013 for CSR Spend.

Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent only for undertaking CSR activities or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

7. Implementation plan of CSR Projects:

Following are the different stages to be followed of the CSR project/Activities:

a. Project identification

The projects will be identified and suggested to Board for approval. The projects must be aligned to the requirements of the Schedule VII of the Companies Act 2013. The projects that are located in proximity to the areas where the company operates would be accorded preference for approval.

b. Approval of Board

An annual action plan in pursuance of its CSR policy shall be placed before the board in first Board meeting of financial year in below mentioned format:

Sr.no.	Details of CSR projects or programmes	Manner of execution (i.e Direct or Implementation Agency)	Modalities of utilisation of funds and implementation schedules for the projects or programmes	Monitoring and reporting mechanism for the projects or programmes	Details of need and impact assessment

c. Implementation and Monitoring

The Board of Directors alongwith the Working Team shall formulate a plan of action for the approved projects that specify details of the project including activities to be undertaken, period of implementation, budget plan, project governance and expected results.

The company may implement the CSR projects in one or more of the following modes or by way of a combination thereof:

- i. Directly by the company as projects;
- ii. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company;
- iii. 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;
- iv. any entity established under an Act of Parliament or a State legislature;

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v. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities;

vi. A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the both companies are in a position to report separately on such projects or programmes in accordance with CSR rules.

The Board of Directors along with the working team will be responsible for monitoring of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised 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 the effect.

d. Reporting:

The Board of Directors will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013 and rules made there under.

8. Transfer of unspent CSR amount:

The Board of Directors shall transfer unspent amount to fund specified in Schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year and in case of ongoing projects unspent amount 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 for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of obligation towards the Corporate Social Responsibility 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.

9. Notification:

The CSR Policy and CSR Projects / Activities approved by the Board shall be displayed on the website of the Company, on approval of the Board.

10. Amendments to the Policy:

This policy will be reviewed periodically by the Board of Directors to check the effectiveness and impact of the policy. The Board of Directors has the right to amend or modify this policy in whole or in part, at any time, as deemed necessary.