



Blacksoil Capital Private Limited

Corporate Social Responsibility Policy

Content Management

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This policy document will be reviewed and revised by the board in response to changed circumstances or applicable regulations, in any case at intervals of not more than half year or shorter review periods as may be stipulated by the board.

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Regulatory Reference:

Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. Introduction & Objectives

Blacksoil Capital Private limited (herein referred to as “BCPL” or “the Company”) is a Systemically Important, Non-Deposit taking, Non-Banking Finance Company (NBFC-ND-SI) registered with RBI. The objective of the CSR Policy (“Policy”) is to lay down guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility (CSR) activities within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014 (“Rules”) by the Company and also to set up process of execution, implementation and monitoring the CSR activities to be undertaken by the Company.

Thereafter, pursuant to the amendments in CSR Rules in January 22, 2021, this Policy has once again been amended by the Board of Directors of the Corporation at its meeting held on May 7, 2021. This amended Policy shall be effective from April 1, 2021.

2. Key words & meanings

1. “Act” shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.
2. “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.
3. “Board” shall mean the Board of Directors of the Company.
4. “CSR Annual Plan” shall mean the annual plan detailing the CSR expenditure for the year.
5. “CSR Committee” shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.
6. “CSR Policy” shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.
7. “CSR Projects” or “Projects” means Corporate Social Responsibility projects/activities/ programs/ initiatives, instituted in India, either new or ongoing, and includes, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR.
8. “Financial Year” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
9. “Net profit” shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.
10. “Rules” shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

3. Role & Responsibility of the CSR Committee

- i) Draft the CSR policy and recommend the same to the Board for approval.
- ii) Review and recommend any new CSR initiatives to be taken up by the company.
- iii) Review the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects.
- iv) Review and recommend the CSR report to be included in the board’s report.

- v) Review and recommend any amendments to be made in the CSR policy of the Company.
- vi) To carry such other functions as may be delegated to it by the board relating to CSR activities of the company

4. CSR Initiatives

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

List of Activities/Projects: (As defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014):

The Company shall undertake any of the following activities namely:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and 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 centers 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, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- 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;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, Paralympic and Olympic sports;
- 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 economically backward classes, minorities and women;
- Contribution to funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects;
- Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time. (Collectively referred to as "CSR Activities")
- Providing seed capital including creating of any corpus fund to help tide over any temporary funding gap. Such corpus fund could be deployed with or without interest depending upon

the identified need, to help self-help groups to further the cause sustainable livelihood for the economically weaker sections of society.

The CSR Activity shall be undertaken for the benefit of the public and not only for the employees of the Company and their family. Provided that preference shall be given to the local area and areas where the Company operates for undertaking CSR Activities.

Effects of interpretations/clarifications and amendments on projects/ programs /activities

The objective of the policy is to act as a guideline for the company in its endeavor to undertake socially relevant activities that will result in the overall objective of the company to create societal capital/assets for the common good and the list of activities shall be interpreted in a manner that will advance the objective. The policy shall be deemed to have amended or modified to the extent of any modification/amendments or clarifications issued by the Central Government from time to time in relation to the CSR obligations of companies and shall be interpreted accordingly.

5. Identification of Projects and Implementation Process

The CSR team shall formulate an Annual Action Plan for each financial year and recommend the same to the CSR Committee and the Board for its approval.

The annual action plan shall include the following:

- List of CSR projects;
- Manner of execution of CSR projects;
- Modalities of utilisation of funds and implementation schedules for CSR projects;
- Monitoring and reporting mechanism for CSR projects;
- Details of need and impact assessment for CSR projects, as may be applicable.

An update on the status of compliance with the annual action plan shall be provided to the CSR Committee and Board of Directors on a periodic basis, and may be modified accordingly.

i. The Company may undertake CSR Activities through a registered trust under section 12A and 80G respectively of the Income Tax Act, 1961 or society or any company, established under Section 8 of the Act by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, or otherwise for such non-for-profit objectives.

Provided that if the trust or society or company is not established by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company than it shall have an established track record of 3 years in undertaking similar programs or projects.

ii. The Company may collaborate with any other companies for undertaking the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "Rules").

The Company has constituted a CSR Committee comprising of below members:

- Mr. Mohinder Pal Bansal- Chairman
- Mr. Jatin Chokshi- Member
- Mr. Ankur Bansal- Member

The CSR Committee shall act in accordance with terms as laid down by the Board of Directors of the Company

6. Monitoring of CSR Activities

CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The committee shall ensure that;

- i. Company undertakes the CSR activities as provided in the CSR policy
- ii. The projects/ programs are implemented as per the program approved by the board
- iii. The budget allocated for each of the project is utilized for the projects as per the approved plans.
- iv. The objective of the project/program is achieved as per the plans
- v. Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.

Amendment of policy

The CSR policy of the company may be amended at any time by the board of the company on the Recommendation of the CSR committee.

7. CSR Budget

The Company shall spend in every financial year, atleast 2 % of the average net profits of the company made during the 3 immediately preceding financial years. The total budget for the CSR Projects will be decided by the CSR Committee.

8. Treatment of Unspent Amount

The unspent CSR amount, if any, should be transferred by the company to any fund included in schedule VII of the Act until a fund is specified in Schedule VII in pursuance of Section 135(5) and Section 135(6) of the Act.

The Board of a company must ensure that the administrative overheads will not exceed 5% of the company's total CSR expenditure for the respective financial year. The surplus arising out of the CSR activities will not form part of the business profit of a company and shall be transferred to the Unspent CSR Account or ploughed back into the same project.

The company should spend the unspent CSR amount in pursuance of the annual action plan, the CSR policy of the company or transferred to a Fund specified in Schedule VII within six months of the expiry of the financial year.

9. Disclosure in the Board's Report

The Board's Report of the Company pertaining to a Financial Year commencing on or after 1st April, 2019 shall include a statement on CSR activities, as per the provisions of the Companies Act, 2013.

Further, if the Company fails to spend specified amount in pertaining to CSR Activities, the Board in its report shall specify the reason for not spending the amount.

This policy shall, overall, be governed by Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time.