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Created by	Progressive Share Brokers Private Limited Team with help from Professionals
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As a responsible corporate citizen of the country, Progressive Share Brokers Private Limited believes it has a role to play in sustainable and inclusive growth of the nation. Despite being one of the largest growing economies globally, India faces substantial problems of income inequality, food insecurity, gender discrimination and environmental degradation along with uneven access to energy, healthcare, sanitation, water and education. The corporate sector needs to partner with the government and social sector to work together in addressing these issues. Since the needs on these multiple fronts are vast, meaningful contribution by the business sector would be best undertaken through a transparent and measurable system.

In this regard, Progressive Share Brokers Private Limited fully supports that the recent initiative of the Union Government to create a legal process under the Companies Act 2013 for facilitating companies to undertake corporate social responsibility programmes in a structured manner.

We are committed to further **environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity through gender empowerment**. Our CSR policy framework is developed to assist the Company in undertaking well-planned initiatives that are participatory, outcome oriented and measurable, with the overall objective of creating sustainable impact.

DEFINITION

“**Act**” means the Companies Act, 2013, as amended from time to time.

“**Board**” means the Board of Directors of the Company.

“**Company**” means ‘Progressive Share Brokers Private Limited’.

“**CSR**” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-

- (i) activities undertaken in pursuance of normal course of business of the company: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake 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 that-
 - (a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - (b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- (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 companies on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) activities carried out for fulfillment of any other statutory obligations under any law in force in India;

“**CSR Committee**” means Corporate Social Responsibility Committee of the Company constituted by the Board.

“**CSR Rules**” means Companies (Corporate Social Responsibility Policy) Rules 2014 and amendments thereon.

“**CSR Policy**” means this Policy.

“**CSR Project/Program**” means the interventions undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act.

“**CSR Expenditure**” shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee.

“**Net profit**” means the net profit of a company as per its financial statement 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:

Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

“**NGO**” means non-governmental organisation.

“**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;

“**Ongoing Project**” means a multi-year project undertaken by a 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 board based on reasonable justification;

INTERPRETATION

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time shall have the meaning respectively assigned to them therein.

OBJECTIVE OF CSR POLICY

The objective of this Policy is to continuously and consistently:

- To provide the framework for selection, implementation, governance, management and monitoring of CSR initiatives and formulation of the Annual Action Plan.
- Outline our Board’s vision and approach for undertaking CSR and creating impact in the communities;

- Encourage an increased commitment and engagement from employees towards CSR.

SCOPE AND APPLICABILITY

This Policy shall be applicable to all CSR initiatives undertaken by the Company in pursuance of the requirements of Section 135 and Schedule VII of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force).

POLICY GUIDELINES

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013.
- CSR projects or programmes or interventions (except training of Indian Sports Personnel representing any State or Union territory at national level or India at international level) must be undertaken in India
- The Company may take help of International Organizations in designing, monitoring, and evaluating its CSR Projects, and in assisting with capacity building of its personnel. However, it is clarified that such organizations cannot take the responsibility of actual implementation of the CSR initiatives.
- CSR projects or programmes must not include the initiatives undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or Interventions that benefit only the employees of the Company shall not be considered as CSR.
- CSR interventions should be in project/programme mode. One-off events such as marathons/ awards/ charitable contribution/advertisement/sponsorship of TV programmes etc. and any other sponsorship activity deriving marketing benefits for the company's products or services will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India will not qualify towards CSR requirements.

MISSION

Driving positive impact in communities

CSR THRUST AREAS

The Company has identified CSR Thrust Areas for undertaking CSR Projects/ programs in India. The actual distribution of the expenditure among these thrust areas will depend upon the needs as may be determined by the need identification studies or discussions with local government / Grampanchayat / NGOs. The Company shall give preference to the areas around which the Company operates and the areas with identified needs for CSR spending.

Thrust areas:

Education & Livelihood

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

Health

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.

Environment

- 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.

Others

- From time to time, the Company may identify newer Thrust Areas to the above list, in so far as such activities are as defined in Schedule VII of the Companies Act, 2013, as amended, from time to time.

CSR PROGRAMMES AND PROJECTS

The company has adopted a structured approach to manage its CSR obligation. The company proposes to adopt one or more of the following CSR activities as prescribed by applicable laws, including schedule VII of the Companies act 2013, as amended from time to time, with a focus on education, environment, health and sanitation, sports, art and culture, disaster relief and rural development

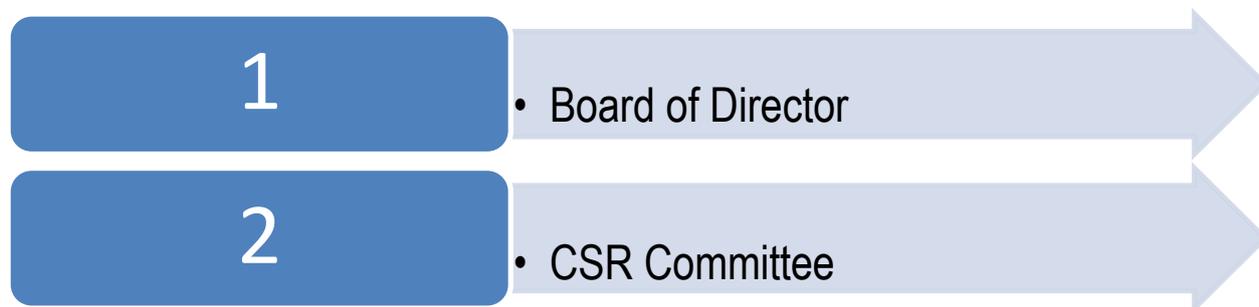
- I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- II. Promoting education, including special education and employment enhancing vocation skills especially 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 centres 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, agroforestry, 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 buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art 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 8[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
- IX. 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
- X. 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).]
- XI. Rural development projects
- XII. Slum area development.
- XIII. Disaster management, including relief, rehabilitation and reconstruction activities.

Only those projects that are over and above the normal course of business, that do not benefit only the Company's employees and their families, are treated as CSR projects within the realm of Section 135 of the Companies Act 2013.

GOVERNANCE STRUCTURE

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.



Roles and Responsibilities of the Board of Directors

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.
- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy.
- Ensure that the Company, treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company’s website, if any, for public access.
- Pass Board Resolution for excess CSR spent to be carried forward for next year obligation.

Composition of CSR Committee

The CSR Committee of the Board of Directors comprises the following Members:

Sr. No.	Name of Members	Designation
1.	Aditya Anil Nandkumar Gaggar	Chairman
2.	Anil Nandkumar Gaggar	Member

The Board shall reconstitute the CSR Committee as and when required inter alia, to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements.

Roles and Responsibilities of the CSR Committee

The Corporate Social Responsibility Committee of the Board (‘CSR Committee’) is responsible for formulating and recommending to the Board an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.

The Corporate Social Responsibility Committee of the Board (‘CSR Committee’) also responsible for the following:

- Issue certificate to the Board ensuring CSR implementation;
- Issue certificate to the Board ensuring funds disbursed are used for the purpose and in the manner as approved by it.
- Monitor Administrative overheads

- The committee will meet at least once in a year to review progress. This can be a physical meeting or through a combination of video conferencing. The minutes of the meetings shall be signed by the Chairperson and regularly shared with the Board of Directors

GUIDING PRINCIPLES FOR PROJECT SELECTION AND IMPLEMENTATION

Relevance

- Projects should be need-based, keeping local issues into consideration.

Outcomes-orientation

- Projects will be designed with clear objectives, planned outcomes and a suitable monitoring and reporting framework. All projects will be periodically reviewed for course correction, wherever necessary.

Sustainability

- Projects should be designed for creating a long-term impact. An incremental expansion approach may be deployed if required. They should incorporate multiplier effects. Projects should ideally be replicable for subsequent coverage in other regions.
- Implementation partners should be carefully selected after due assessment of their local credibility, local knowledge, domain expertise, local institutional relationships and their approach to sustainability.
- Provisions of community participation should be built-in. Community ownership and co-financing wherever required may be introduced in a progressive manner in suitable time frames necessary for communities to accept and adopt the initiatives. This will create understanding among communities on expectations, risks, roles and responsibilities.
- There should be due consideration of any material risk factors before selecting, initiating and during implementation of projects. These risks should be duly mitigated and managed on a regular basis.

FUNDING AND ALLOCATION

For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The CSR Committee will recommend the CSR budget to the Board annually, for its approval.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent, then such an unspent amount will be allocated towards such ongoing project for spending in any of the three succeeding financial years and will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year. For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

The Board of Directors will satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it the person responsible for financial management will certify the same to that effect.

The Company may spent not more than Five (5) percent of its total CSR expenditure towards administrative overheads for the financial year for the purpose of CSR functions in the Company.

The tax treatment of CSR expenditures will be in accordance with the provisions of the Income Tax Act as notified by Central Board of Direct Taxes (CBDT).

The Company may spend its CSR amount for creation or acquisition of the capital asset subject to the fulfilment of conditions as specified under the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.

VOLUNTEERING OF EMPLOYEES FROM THE ORGANIZATION

The Company will encourage and recognize its employees for volunteering with the spirit of serving and sharing with the community.

The Company shall endeavour to increase employee participation at all levels in the Organization, by encouraging employees to participate in the Company's CSR initiatives.

IMPLEMENTATION

- The CSR Committee shall provide guidance on the allocation of the CSR budget among the thrust areas on an annual basis and seek approval from the Board.
- The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.

IMPACT ASSESSMENT OF CSR PROJECTS

The Company shall undertake impact assessment of its CSR projects as per the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.

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

The Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall be as per the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.

MONITORING PROCESS OF CSR INTERVENTIONS

- To ensure effective implementation of the CSR intervention, a monitoring mechanism has been established by the CSR Committee to maintain a regular connect with the implementing partner and take corrective actions at the right time.
- The implementing partners will report on a quarterly basis the progress of the project activities, the utilization of funds disbursed and plans for sustainability of the project.
- The CSR Committee will monitor and review on a regular basis or as and when required the progress of CSR initiatives undertaken.
- The fund utilization made in projects as approved by the Board, will be certified by the Chief Financial Officer of the Company.
- Applicable projects, as required by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall be subjected to an in depth impact study to assess the impact created through the project.
- In case of deviation in implementation as defined in the annual action plan, such changes will be approved by the CSR Committee and the Board of Directors of the Company.
- In order to ensure transparency and communication with all stakeholders, the CSR Policy and the list of approved projects will be uploaded on the Company's website and made available in the public domain.

CRITERIA FOR IDENTIFYING CSR PROJECTS

While identifying the CSR projects, all efforts would be made to the extent possible to define the following:

- Project objectives.
- Base line Survey/Need Assessment
- Implementation schedules.
- Defined fund disbursement schedules.
- Responsibilities and authorities.
- Major results expected and measurable outcome.

CRITERIA FOR IDENTIFYING NON-GOVERNMENTAL ORGANIZATIONS (NGOS)

CSR initiatives will be implemented either directly by the Company or through implementing agencies (NGOs). The implementing agencies being considered for a partnership will need to comply with the following criteria:

- The NGO can be a company established by the Company either singly or along with any other company and can be a company established under Section 8 of the Companies Act, 2013 / Registered Public Trust / Registered Society with a registration under Section 12A and Section 80G of the Income Tax Act,

