

VERITAS FINANCE PRIVATE LIMITED**CORPORATE SOCIAL RESPONSIBILITY POLICY**

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1. Preamble:

We at Veritas Finance Private Limited (“Veritas Finance”) recognize that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.

Further, Corporate Social Responsibility (“CSR”) makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

2. Definition & Objective:

The clause (f) of Rule (2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 defines "CSR Policy" as a statement containing the approach and direction given by the Board of a Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation, and monitoring of activities as well as formulation of the annual action plan.

The main objective of CSR Policy is to make CSR a key business process for sustainable development of the society. Veritas Finance will act as a good corporate citizen and aim at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

3. Measures and guiding principles for selection:

The CSR activities shall be undertaken by Veritas Finance as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The following activities shall not form part of the CSR activities of the Company:

- 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
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India
- CSR activities which are exclusively for the benefit of Veritas Finance employees or their family members shall not be considered as CSR activity.

The company shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

4. List of CSR Projects:

The following is the list of CSR projects or programs which Veritas Finance plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

- i. **HUNGER, POVERTY, MALNUTRITION AND HEALTH:** eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. **EDUCATION:** promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** 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. **ENVIRONMENTAL SUSTAINABILITY:** 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. **DISASTER MANAGEMENT:** including relief, rehabilitation and reconstruction activities.
- vi. **CONTRIBUTION TO FUNDS:** Contribution to the prime minister's national relief fund or any Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)' 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.
- vii. **OTHERS:** Any other CSR contributions with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013, rules made there-under, and Schedule VII of the Companies Act, 2013.

5. Monitoring:

a. Corporate Social Responsibility Committee:

The company has constituted a CSR committee consisting of three Directors from the Board of Directors to oversee the implementation of the CSR policy of the company in accordance with the requirements of Section 135 of the Companies Act.

1. Mr. N. Mohanraj, Chairman
2. Mr. M. Sivaraman, Member
3. Mr. D. Arulmany, Member

b. Terms of Reference of Corporate Social Responsibility Committee

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Schedule VII of Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company ;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

6. Budget:

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

The total budget for the CSR projects will be decided by the CSR Committee.

Approving authority for the CSR amount to be spent would be the Managing Director of the Company after due approval of CSR Committee.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

7. Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

8. Display:

The CSR Policy of the Company shall be displayed in its website.

9. Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

10. Reporting:

The CSR Committee shall maintain proper minutes of all its meetings.

The CSR Committee shall prepare an annual report on CSR with such information and particulars as may be required by the Act and such report shall be included in the Board's report annexed to the financial statements.

The Board's report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rules.

The Board will be responsible to ensure that the statutory requirements as may be prescribed from time to time under the Act and the CSR Rules are complied with.

11. Update:

CSR Committee of Board of Veritas Finance will review the policy from time to time based on the changing needs and aspirations can make suitable modifications as may be necessary with due permission of the Board.