



SPREAD X SECURITIES PRIVATE LIMITED

Corporate Social Responsibility Policy

Preface:

The Company understands its responsibility towards the society in which it operates and is initiating small but significant steps in bringing positive changes in the environment for sustainable development taking into consideration the interests of various stakeholders. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc., the Company has adopted CSR policy ("Policy") as a strategic tool for sustainable growth. For the Company in the present context, CSR policy adopted by the Company is not just a tool of investment of funds for Social Activity but is also an effort to integrate Business processes with social processes.

With the advent of Companies Act, 2013 formulation of Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & Sustainable development of the society.

CSR Vision:

Improve Quality of life for all our communities through integrated and Sustainable Development.

Constitution of Corporate Social Responsibility Committee:

Pursuant to Section 135(9) of the Companies Act, 2013, as of now Company is exempted from constituting Corporate Social Responsibility Committee. As and when required the Board of Directors of the Company will form Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee'), and the following functions will be allocated to CSR Committee:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013 and rules made thereunder;
2. To recommend the amount of expenditure to be incurred on the CSR activities
3. To monitor the implementation of framework of CSR Policy.
4. To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable or as may be necessary or appropriate for performance of its duties.

Scope of activities:

- (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 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) (a) 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

 (b) 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).
- (x) rural development projects
- (xi) slum area development
 Explanation - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.
- (xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange.

Budget:

1. Each year budget for CSR activities shall be as decided by the Board.
2. The actual budget shall be such that the Company spends at least 2% of the average net profits of the Company made during the three immediately preceding financial years.
3. The actual budget shall be based on CSR programmes planned and approved for that year. However, the Company may contribute the amount in the long-term projects or planned, if any, and spend the amount over a period of time provided the Company has set aside the said amount in a separate bank account.
4. The total budgeted amount for the year shall be distributed on projects as a percentile or fixed amount as may be decided by the Board.

Guidelines for Consideration of Proposals and Allotment of Funds for CSR Projects & Activities:

1. Individual proposals have to be within the framework of the CSR Policy.
2. Every CSR proposal has to be projectized. This involves defining activities, time frame, financial requirement, organizational responsibilities, outcome / expected results and sustainable aspects.
3. Appropriate financial powers shall be delegated to the board and afterwards to the committee for sanctioning the project and timely execution.
4. The releasing of funds in phased manner shall be clearly defined in the proposal to ensure proper utilization and submission of periodical progress reports.

5. Project proposals can be prepared by the Company on its own or through a consultant as may be necessary. The CSR Projects prepared by State/District Authorities or Local Bodies or reputed NGOs within the purview of CSR Policy may also be considered for implementation with the approval of Board/Committee. However, such projects submitted by NGOs shall be approved only after verification of their credentials, capability and preparedness to work in the specified locations.

Duties and Responsibilities:

- I. The CSR Committee shall monitor the implementation of the CSR Policy and CSR plan. For this purpose, the CSR Committees shall meet as and where required for the said purpose.
- II. In discharge of CSR functions of the Company, the Board/CSR Committee shall be directly responsible for any act that may be required to be done by the Board/CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- III. The CSR Committee shall place before the board every year a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company for inclusion in the Board's Report.
- IV. The Board/CSR Committee shall ensure that the CSR policy is displayed on the Company's Website.

General:

- All administrative expenses including expenditure on wages & salaries, tours and travels, training & development of personnel deputed on CSR activities would be borne from CSR funds.
- The Competent Authority to take decision on sanctioning works /allocation of funds for CSR and appointing authorized agencies for implementing Projects / Activities shall be as specified in the delegation of powers approved by the CSR Committee / Board of Directors.
- If it is observed that any CSR activity taken up for implementation is found not properly implemented, the Company at its discretion may discontinue funding the project at any time during the course of implementation.
- On advice of Board/CSR Committee, selected Project may be taken up for evaluation through an outside Agency.
- The CSR Committee shall be empowered to recommend any amendment or modification to this policy and such recommendation shall be placed before the Board for approval.