

Corporate Social Responsibility (CSR) Policy



Falabella Corporate Services India Private Limited (“the Company”) believes in the continuing commitment to act ethically and address the social and environmental issues prevalent in society, responsibility towards the community at large and their inherent roles as change agents in the socio-economic transformation of India.

The Company, as part of its commitment to contribute to society’s wider goal of sustainable development, to understand, monitor and manage its social, environmental and economic impact and ensure adherence to all laws and regulations while achieving highest standards of corporate governance, brings into force the following Corporate Social Responsibility (CSR) Policy.

This Policy is prepared in accordance with the Companies Act, 2013 (and the amendments and notifications thereof) to govern the CSR initiatives of the Company in India. This Policy is formulated towards compliance of Section 135 of the Companies Act, 2013 (and the amendments and notifications thereof) read with applicable rules, to uphold the Company’s responsibility and contribution towards the society at large by improving the quality of life of the weaker sections of society through sustainable development and focused CSR initiatives.

OBJECTIVE:

The objectives of this Policy are:

- a. Establish a guideline for compliance with the provisions of the Act and Rules related to CSR,
- b. Implement CSR initiatives in both letter and spirit through appropriate procedures and reporting, and
- c. Contribute towards economic development that positively impacts the community at large.

DEFINITIONS:

In this Policy, unless the context requires otherwise:

- a) ‘**Act**’ means Companies Act, 2013 and the Rules made thereunder, as amended from time to time,
- b) ‘**Company**’ means **Falabella Corporate Services India Private Limited**,
- c) ‘**Corporate Social Responsibility**’ (**CSR**) means Corporate Social Responsibility as prescribed under section 135 of the Act and Rules made thereunder and further amendments thereto,
- d) ‘**Net Profit**’ means net profit as defined under section 135 of the Act.

Words and expressions used in this CSR Policy and not defined herein shall have the meaning respectively assigned to them in the Act.

EFFECTIVE DATE:

This Policy is effective from September 13, 2019

SCOPE AND ACTIVITIES/PROGRAMMES:

This Policy applies to all activities that are undertaken as part of our CSR Programme in India under the official name of 'Falabella India: ACT Program', whereby ACT stands for "*Arise, Care, Thought*" in line with our overarching philosophy that 'even the simplest of acts can make the greatest of impact' and will cover the designated project activities under CSR as required under the law.

The activities to be undertaken under the Company's CSR Policy includes:

1. 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;
2. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hotels 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;
4. 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;
5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. Contribution to 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 Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. Contributions of funds provided to incubators funded by Central or State Government or any agency or PSUs and making contributions to public funded Universities, IITs, National Laboratories and

Autonomous Bodies engaged in conducting research in science, technology, engineering and medicine which are approved by the Central Government;

10. Rural development projects;
11. Slum area development;
12. Disaster management, including relief, rehabilitation and reconstruction activities.

PLANNING AND IMPLEMENTATION:

I. Project Identification and Implementation Criteria

Falabella will undertake the CSR initiatives as approved by the Board/ CSR Committee. Prior to assigning CSR projects to any third party agency for execution, the Company will use best efforts to verify the credentials and track record of such agencies and conduct due diligence.

However, till such time the identification and operationalization process of an external implementing partner is completed, the Company will continue to carry out the CSR activities solely.

II. Monitoring and Documentation

The Board/ CSR Committee will from time to time review/ monitor the progress of the CSR activities. A comprehensive annual report shall be generated for activities initiated / implemented under CSR charter.

For the larger project(s) with a substantial amount of funding and having a significant social or environmental effect will be considered for impact assessment study to be conducted by the company or through an external specialized agency.

The CSR initiatives of the Company shall be mentioned as a paragraph / chapter in its annual report in terms of the requirements of the Companies Act or Rules framed thereunder.

CSR EXPENDITURE:

CSR expenditure includes all expenses, direct and indirect including administrative overheads (capped at 5% of the total CSR expenditure in a year), incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Policy.

The total CSR expenditure for the Company's CSR Programmes covered under this policy is 2% of the average net profits of the Company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years.

Any surplus arising from any CSR Programmes shall be channelized again towards CSR expenditure and shall not form a part of business profit.

CSR COMMITTEE AND COMPOSITION OF THE COMMITTEE:

The Board to govern and to oversee the successful implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 shall to the extent required under law have in place a CSR Committee at the Board level, comprising of such number of Directors as prescribed under the Act and rules.

The Members of the CSR Committee are:

Sl. No.	Name of the member	Designation in the Committee	Designation in the Company
01	Mr. Ashutosh Dabral	Member	Managing Director
02	Mr. Ashish Grover	Member	Board Of Director
03	Mr. Perez Vistas Katpitia	Member	Director – HR
04	Mr. Abhijith Neerkaje	Member	Sr. Tech Director
05	Mr. Saugata Dutta	Member	Tech Director
06	Ms. Manasa Chandrasekharan	Member	Tech Director
07	Mr. Sunil CA	Member	Sr.Tech Director
08	Ms. Kumuda Bopaiah	Member	Manager – Facilities
09	Mr. Jayesh Jain	Member	Finance Analyst

Functions, Duties and Responsibilities of the CSR Committee:

- To formulate, review, finalize and approve the CSR Policy framework.
- Recommend amount of expenditure to be incurred on CSR activities.
- To monitor and provide supportive supervision to the CSR activities from time to time.
- Meeting at least once a year to review the progress and suggest interventions.

Responsibilities of the Board:

- Approve the CSR policy for the Company and to make a disclosure of the contents of such policy in board of directors' report.
- Disclose the composition of the CSR Committee, CSR policy and projects approved by the Board on the website, if any, for public access.

Meetings and Proceedings of the Committee:

- The CSR Committee, apart from the mandatory requirement, may meet as and when deemed necessary to discuss the progress of CSR activities and apprise the Board with the progress and action plan.
- Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the CSR Committee and any other person required to attend not later than 48 hours prior to the date of the

meeting.

- The CSR Committee shall consist of a minimum of two Directors. The two directors shall constitute quorum for all meetings. In the event employees of the Company form part of the CSR Committee the same shall not be considered for the purpose of quorum. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee.
- The Board/ CSR Committee in paucity of time, may pass the resolution by circulation pursuant to the provisions of section 175 of the Companies Act, 2013 and applicable Secretarial Standards and approval of the Directors being members of the Committee is sufficient to pass any circular resolution.
- The Board /CSR Committee may invite executives, advisors, representatives of social organizations, auditors of the Company and such other person (s) as it may consider necessary to attend the meeting.
- An executive/officer of the Company as authorized by the Board/ CSR Committee shall record the proceedings and resolutions of meetings of the Board/ CSR Committee and shall circulate the minutes of such meetings to all members of the CSR Committee and the Board of Directors.

AUTHORITY:

The provisions enlisted in the CSR Policy framework may be subject to change / revision / amendment based on any change in policy / guidelines as issued and directed by the Government of India from time to time.

The Board reserves the right to amend the Policy from time to time to comply with any laws / rules / regulations that come into effect from time to time.

Version Control

No.	Date	Details of changes	Initiated by	Approved by
V1	8 October 2019	New policy	Managing Director	Board of Directors
V2	17 December 2024	Updated policy	Managing Director	Board of Directors

This policy shall supersede all other earlier policies/rules on the subject. Management reserves the right to amend/alter/modify/withdraw this policy with or without due and adequate notice.