



CSR POLICY

AAKASH EDUCATIONAL SERVICES LIMITED

ABSTRACT:

This document outlines the Corporate Social Responsibility Policy ("CSR Policy") of **Aakash Educational Services Limited**, in accordance with Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

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CSR POLICY OF AAKASH EDUCATIONAL SERVICES LIMITED

Introduction

Aakash Educational Services Limited (“Aakash / Company”) is a leading provider of solutions and services in the education industry serving large number of students through its Registered Office in the state of Karnataka and its branches spread across India. The company with reservoir of skilled professionals, skilled faculties, distinctive products & IT skills, and expertise in its industry helps students sharpen their academic skills and thereby realize their dreams of entering to Indian and Global elite medical and engineering schools.

It is recognised that integrating social, environmental and ethical responsibilities into the governance of business 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.

Objective

For Aakash, Corporate Social Responsibility means involvement of all stakeholders through responsible business practices. Ethical, environmental friendly, gender sensitive reasonable and responsible business policies are encouraged and followed at Aakash.

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

Applicability & Compliance with the Companies Act, 2013

1. Aakash CSR Policy has been developed in line with Section 135 of the Companies Act, 2013 (the “Act”) on CSR and in accordance with the CSR rules notified by the Ministry of Corporate Affairs, Government of India in 2014 as amended from time to time;
2. The CSR Policy shall apply to all CSR projects/ programmes undertaken/ to be undertaken by the Company as per Schedule VII of the Act;
3. This CSR Policy shall be applicable to Aakash Educational Services Limited.

Measures

CSR Policy of Aakash is broadly framed taking into account the following measures: -

1. The CSR activities shall be undertaken by Aakash as stated in this CSR Policy, as projects or programs or activities, excluding activities undertaken in pursuance of its normal course of business.
2. The activities which are excluded from the definition of CSR as per Companies (Corporate Social Responsibility Policy) Rules, 2014 shall not be considered as CSR activities.
3. The Board of Aakash may decide to undertake its CSR activities as per Rule 4 (1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

List of CSR Activities

The following CSR activities are planned to be undertaken by Aakash in a phased manner as project or one time activities pursuant to Schedule VII of the Companies Act, 2013: -

- (i) Eradicating hunger, poverty and malnutrition, promoting healthcare 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 Government for socio-economic development and relief

and welfare of the Scheduled Caste, the Scheduled 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;
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities;
- (xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange; and
- (xiv) Such other activity as may be notified by the Government from time to time.

Constitution of CSR Committee of the Board

I. Composition of CSR committee: The CSR Committee shall consist of three or more directors, out of which at least one director shall be an independent director.

II. The CSR committee of Aakash Educational Services Limited will be responsible for:

- Formulating and recommending to the Board, a CSR policy in compliance to Section 135 of the Companies Act, 2013 including any amendments thereto;
- Identifying and recommending to the Board, activities to be undertaken as per Schedule VII of the Companies Act, 2013;
- Recommending to the Board the amount of expenditure to be incurred on the CSR activities;
- Recommending to the Board, modifications in the CSR Policy time to time;

- Monitoring the implementation of the CSR Policy from time to time.
- Formulation and recommendation to the Board, an annual action plan which shall include the following:
 - a. CSR projects or programmes to be undertaken as per Schedule VII of the Act;
 - b. Manner of execution of such projects or programmes;
 - c. Modalities of utilisation of funds and implementation schedules for such projects or programmes;
 - d. Monitoring and reporting mechanism for such projects or programmes; and
 - e. Details of need and impact assessment, if any, for the projects undertaken by Company.

Roles and Responsibilities of the Board

The Board of Aakash will be responsible for:

- Approving / Amendment to the CSR Policy formulated and recommended by the CSR Committee from time to time.
- Ensuring that in each financial year the Company spends at least 2% of the average net profits made during the three immediately preceding financial years as per section 135 of the Act
- Ensuring that the activities included in CSR Policy are undertaken by the Company
- Disclosing contents of CSR Policy in Board's Report and also place it on the Company's website, www.aakash.ac.in.
- Ensuring annual reporting of CSR Policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.

Selection, Implementation and Monitoring of CSR Activities

Prior to commencement of the CSR activities/ projects, Aakash will carry out a baseline study of the potential areas. The study may, inter alia, encompass various parameters such as literacy levels, health indicators, sustainable livelihood processes, population data, state of poverty, state of infrastructure, etc.

From the data generated a short-term plan and a long-term plan will be developed for the holistic and integrated development of the potential people, wherever necessary.

Aakash shall implement the activities under CSR Policy on its own or through external implementing agencies permitted under law.

All CSR activities/ projects will be assessed under the agreed strategy, and monitored on a periodic basis, measured against targets and budgets. Wherever necessary, midcourse corrections will be made.

Partnerships and Collaboration

Aakash is open to a collaborative approach to implement its CSR Policy. Collaborative partnerships may be formed with other institutions and other like minded stakeholders as per the provisions of the Act.

CSR Budget

CSR Committee will recommend annual budget to the Board for its consideration and approval. Approving authority for the CSR amount to be spent would be the Board of Directors of the Company.

CSR activities spending in a year shall not be less than 2% of the average net profits made during the three immediately preceding financial years. In case the Company fails to spend such amount, the Board shall specify the reasons in the Board's Report for not spending the specified amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

CSR Policy mandates that the surplus arising out of the CSR activities/ projects/ programs shall not form part of the business profit of Aakash. CSR expenditure shall not include any expenditure on any item not in conformity as per the Schedule VII of the Companies Act, 2013.

Policy Modification

CSR Committee of the Board of Aakash will review the CSR Policy from time to time based on the changing needs and aspirations of the target beneficiaries and take necessary actions to make suitable modifications from time to time as may be necessary subject to review of the Board of Directors.