



## **SPORTKING INDIA LIMITED**

### **Corporate Social Responsibility Policy**

*(Amended version as approved by the Board of Directors of the Company at its Meeting held on August 02, 2025)*



## **Corporate Social Responsibility Policy**

### **I. PREAMBLE**

Corporate Social Responsibility ("CSR") is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. CSR is, therefore, closely linked with the practice of Sustainable Development. CSR extends beyond philanthropic activities and reaches out to the integration of social and business goals. These activities need to be seen as those which would, in the long term, help secure a sustainable competitive advantage.

### **II. OBJECTIVE**

The objective of the CSR Policy ("Policy") is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility ("CSR") within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014. ("Rules").

Sportking India Limited(SIL) through its CSR initiatives will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community,

### **III. DEFINITION**

In this Policy unless the context otherwise requires:

- a) "Act"** means the Companies Act, 2013;
- b) "Corporate Social Responsibility (CSR)"** means and includes but is not limited to
  - (i)** Projects or programs relating to activities, areas or subjects specified in Schedule VII of the Act or
  - (ii)** Projects or programs relating to activities undertaken by the board of directors of the Company (Board) in pursuance of recommendations of the CSR Committee of the Board as Per declared CSR Policy of the company subject to the condition that such policy will include activities, areas or subjects specified in Schedule VII of the Act.
- c) "CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- d) "CSR Policy"** relates to the activities to be undertaken by the company in areas or subjects as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.
- e) "CSR Expenditure"** shall include all expenditure including contribution to corpus for projects or programs relating to the CSR activities approved by the Board on the recommendation of its CSR Committee but shall not include any item not in conformity or not in line with activities which fall within the areas or subjects specified in Schedule VII to the Act.
- f) "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

#### **IV. LEGAL FRAMEWORK**

Section 135 of the Companies Act, 2013 ('the Act'), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules') requires every company having:

- i) Net worth of Rs. 500 crore or more; or
- ii) Turnover of Rs. 1,000 crore or more; or
- iii) Net profit of Rs. 5 crore or more

during the immediately preceding Financial Year ('FY') to constitute a Corporate Social Responsibility Committee ('CSR Committee') of the Board consisting of three or more directors, out of which at least one director shall be an Independent Director. Further, the CSR Committee so constituted shall formulate a Corporate Social Responsibility Policy ('CSR Policy') and recommend the same to the Board of Directors of the Company ('Board') for its approval.

#### **V. CSR VISION**

Our company's Corporate Social Responsibility (CSR) vision is to contribute meaningfully to the sustainable development of society while upholding the principles laid down under Section 135 of the Companies Act, 2013. We are committed to fostering inclusive growth by focusing on rural development, promoting ecological balance, empowering women, and improving health and well-being in the communities where we operate. We believe in creating long-term value for society through initiatives that support education, livelihood opportunities, environmental conservation, and gender equality. By aligning our CSR initiatives with the activities prescribed in Schedule VII of the Act, we strive to be a responsible corporate citizen that empowers communities, protects the environment, and supports nation-building through transparent, accountable, and impactful efforts.

#### **Role of CSR Committee:**

As per the Companies Act, 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: -

- (i) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 (as amended from time to time).
- (ii) Ensure that the programmes /projects undertaken by the Company on its own or through the implementing partners are aligned with the approved CSR policy of the Company and are also aligned to Schedule VII and Section 135 of the Act.
- (iii) To recommend the amount of expenditure to be incurred on the activities in a financial year.
- (iv) To monitor, revise, and modify the Corporate Social Responsibility Policy of the company from time to time based on the evolving legislature.
- (v) To receive reports from Implementing Partners to assess the performance and effectiveness of projects supported by the Company.
- (vi) To formulate and recommend monitoring and reporting mechanism for the projects or programmes



- (vii) To formulate details of need and impact assessment, if any, for the projects undertaken by the company
- (viii) Respond to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Company's CSR supported initiatives.
- (ix) Develop and institutionalize a CSR reporting mechanism in light with Section 135, Rule 8 of the Act.
- (x) Allocate the programmes to the Independent Companies (IC's) Corporate to implement the same
- (xi) Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company.

### **Responsibilities of the Board**

The Board shall:

- (i) Form a CSR Committee and disclose the composition of the CSR Committee.
- (ii) Approve the CSR Policy after considering the recommendations made by the CSR Committee.
- (iii) Place the CSR Policy on the Company's website.
- (iv) Ensure implementation of the activities under CSR.
- (v) Ensuring that the CSR activities are related to the activities, areas or subjects included in Schedule VII of the Act
- (vi) Ensure that Sportking gives preference to the local areas around its operations for spending the amount earmarked for CSR projects
- (vii) Ensure expenditure of requisite amount on CSR every year as per law.
- (viii) Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- (ix) Ensuring that the Company spends, in every financial year, at least 2 percent of the average net profits made during the three immediately preceding financial years or such minimum budget as may be statutorily mandated under the law
- (x) Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- (xi) Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board/CSR Committee and the Chief Financial Officer shall certify to the effect.
- (xii) Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of Sportking India Limited shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.

### **Focus Areas of Engagement**

SIL aims to strategically consolidate its Corporate Social Responsibility (CSR) initiatives by focusing on well-defined social issues, with the overarching goal of enriching lives, improving living conditions, and supporting sustainable livelihoods. With a long-standing legacy of social responsibility, the company integrates the value of sustainable social impact at scale across all levels of its operations.

As part of its CSR philosophy, SIL places strong emphasis on promoting gender equality and empowering women, especially through programs centered on health, environmental



protection, and education. The company is equally committed to addressing broader developmental challenges, such as eradicating hunger, poverty, and malnutrition, promoting preventive healthcare and sanitation, ensuring safe drinking water, and conserving natural resources.

In alignment with its vision and in accordance with Schedule VII of the Companies Act, 2013, SIL has identified the following key focus areas for its CSR initiatives:

- Women Empowerment
- Water and Environmental Sustainability
- Nutrition
- Health
- Education
- Agriculture and Rural Development
- Other areas as permitted under the Companies Act, with prior approval of the Board

SIL remains committed to deepening its engagement across these focus areas and scaling its initiatives to achieve broader reach, greater community participation, and more measurable impact. The company continues to adopt a strategic and inclusive approach to CSR, aiming to contribute meaningfully to the development and well-being of society.

## **VI. INTERPRETATION**

Words and expressions used and not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 or rules made thereunder, Listing Agreement and any other Guidelines/ Regulation(s) promulgated by SEBI/ other statutory authorities and any amended(s) thereto from time to time.

## **VII. IMPLEMENTATION PROCESS**

- CSR programme will be undertaken by the Company in identified areas. The Company will undertake need assessments as and when required.
- The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- The Company may enter into partnerships with the government, business partners and communities to create multiplier effect of its social programmes.
- The mode of implementation of CSR programmes will include a combination of direct implementation and / or through partners such as NGOs, Trusts, academic institutions, business associates, registered societies etc. The Company will select its partners after appropriate due diligence.
- The Company may use the services of internal teams, employee volunteers, expert agencies, consultancy firms etc. wherever required for carrying out base line surveys, guidance on programme design and implementation, impact assessment surveys etc.

## **VIII. CSR BUDGET**

The Board shall ensure that Company spends, in every financial year, at least 2 per cent of the average net profits made during the three immediately preceding financial years on CSR activities mentioned in Schedule VII of the Act or such minimum budget as may be statutorily mandated. Computation of average net profits will be carried out in accordance with the provisions of Section 198 of the Act.



### **Unspent CSR Budget**

Surplus arising from these projects is not considered as part of the company's business profit, and any unspent amount will be dealt with in accordance with the provisions of the Companies Act. It is imperative for Sportking India Limited to effectively manage its CSR activities and ensure that any surplus funds are appropriately utilized for approved CSR projects. Furthermore, the Board may approve CSR expenditure in excess of the prescribed obligation for any financial year, and such excess amount shall be eligible to be carried forward and set off against the CSR obligations of the Company for the next three consecutive financial years, in accordance with applicable provisions.

### **IX. MONITORING AND REPORTING FRAMEWORK**

- A dedicated CSR team or designated officials will oversee the execution of CSR projects and programs on a regular basis.
- Progress of CSR projects will be reviewed periodically by the CSR Committee of the Board.
- All CSR activities, budgets, and expenditure shall be documented in detail and maintained by the company for internal audit and regulatory compliance.
- An annual CSR report shall be prepared as per the format prescribed under the Companies (CSR Policy) Rules, 2014, and disclosed in the company's Board Report and on the website.
- Any unspent CSR amount, if applicable, will be handled in accordance with provisions laid down under Section 135 of the Companies Act and relevant rules.
- The CSR Committee will periodically review the CSR Policy and recommend necessary changes to the Board for approval.
- The Board of Directors will ensure that the company complies with all statutory CSR obligations, disclosures, and audit requirements under the Companies Act, 2013.
- SIL shall maintain transparency in communication and engagement with all stakeholders involved in the CSR ecosystem.

### **X. AMENDMENTS TO THE POLICY**

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time. The Company shall, from time to time, follow the Act and the various Rules as prescribed therein. Any inconsistencies with respect to the provisions as mentioned in the Act shall prevail over the provisions as mentioned herein in the Policy.

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