

EZEE TECHNOSYS PRIVATE LIMITED

(CIN - U72200GJ2007PTC050978)

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Need for Corporate Social Responsibility:

The Rules in respect of "Corporate Social Responsibility" (CSR) are enumerated in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the CSR Rules) framed under Section 135 of the Companies Act, 2013 (the Act) and the said Rules are applicable from Financial Year 2014-15.

Section 135 (5) of the Companies Act, 2013 requires that the Board of Directors of every Company having Net Worth of Rupees 500 Crores or more **or** Turnover of Rupees 1,000 Crores or more **or** a Net Profit of Rupees 5 Crores or more during the immediately preceding financial year shall ensure that the Company spends, in every financial year, at least 2 % of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

"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:

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

2. Treatment of Unspent Amount

If the Company fails to spend the required amount in a particular financial year, the treatment of unspent CSR amount shall be as under:

(a) In case unspent amount not relating to ongoing Project:

- The Board of Directors in their Annual Report pertaining to that particular Financial Year shall specify the reasons for not spending the amount; and
- The Company shall transfer such unspent amount to a Fund specified in Schedule VII, within a period of 6 (Six) months of the expiry of the said financial year.

(b) In case unspent amount relating to any ongoing Project:

- The Company shall open a special account in any scheduled bank to be called “**Unspent Corporate Social Responsibility Account**” and transfer such unspent amount, within a period of 30 (Thirty) days, from the end of that financial year to above mentioned account; and
- Such amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of 3 (Three) financial years from the date of such transfer.
- If the after completion of third year also the amount remains unspent, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

On-going Project means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

If the Company spends an amount in excess of the requirements provided under Section 135, the Company may set off such excess amount against the requirement to spend under Section 135(5) for such number of succeeding financial years and in such manner, as may be prescribed by the law as amended from time to time.

Explanation.— For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of Section 198 of the Act.

3. Formation of Corporate Social Responsibility Committee of the Board:

In terms of the provisions of Section 135(1) of the Companies Act, 2013, the Company shall constitute a Corporate Social Responsibility Committee of the Board of Directors. Such Committee should consist of 2 (Two) or more Directors. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy and shall include the following activities to be carried out for implementing in the financial year:

- (a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- (b) The manner of execution of such projects or programmes as specified in the Act and rules made thereunder;
- (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.

The Board's Report shall disclose the composition of the Corporate Social Responsibility Committee.

4. Functions of Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee shall,—

- 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 para 5;
- Recommend the amount of expenditure to be incurred on the activities referred to in para 5; and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- Prepare a transparent monitoring mechanism for ensuring implementation of the CSR projects / programmes/activities proposed to be undertaken by the Company.
- Specify the projects and programmes that are to be undertaken.
- Prepare a list of CSR projects / programmes which a company plans to undertake during the implementation year, specifying modalities of execution in the areas / sectors chosen and implementation schedules for the same.
- Monitor process of such projects or programs.
- May also focus on integrating business models with social and environmental priorities and processes in order to create shared value.
- Ensure that surplus arising out of the CSR projects or programs or activities shall not be part of business profits of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- To formulate and recommend to the Board, an annual action plan, as specified in the CSR Rules as amended from time to time, more particularly described at Para 3 above.

5. CSR Activities to be undertaken in CSR:

Corporate Social Responsibility “(CSR)” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in the CSR Rules read with the Schedule VII of the Act, but shall not include the following, namely:-

- Activities undertaken in pursuance of normal course of business of the company.
- Any activity undertaken 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 benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019).
- Activities on sponsorship basis for deriving marketing benefits for the Company’s products or services.
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

The activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 are:

- i. Eradicating hunger, poverty and mal nutrition, 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 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 arts 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 recognized sports, paraolympic 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 Castes, 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 (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.

The Company may modify above mentioned CSR Activities in line with the amendments that may take place in the relevant Law from time to time. Any new activity incorporated in Schedule VII of the Companies Act 2013 or any alterations taking place in the said Schedule are deemed to be incorporated in the CSR Policy of the Company with effect from their notification and to that extent the CSR policy of the Company shall be deemed to stand modified accordingly without any further acts by the CSR Committee or Board of Directors.

6. ANNUAL CSR 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;
- 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:

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

The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company.

7. Other provisions:

The Board of Directors of the Company shall ensure that the CSR activities are undertaken by the company itself or through below mentioned entities:-

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Provided that with effect from the 1st April, 2021, CSR Activities shall be undertaken by only those entities that have a unique CSR Registration Number issued by the Central Government / Registrar.

Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of Company's personnel for CSR.

Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with CSR Rules.

The Board of Directors of the company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

Subject to above provisions, where a company has set up an organization which is registered as a Trust or Section 8 Company, or Society or Foundation or any other form of entity operating *within India* to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:

- a. The contributing company would need to specify the projects / programmes to be undertaken by such an organization, for utilizing funds provided by it;
- b. The contributing company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only;

Company shall report, in the prescribed format (Refer Annexure I to this Policy), the details of their CSR initiatives in the Directors' Report.

If Company reaches the average CSR obligation of ten crore rupees or more in pursuance of sub section (5) of section 135 of the Act, in the three immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board of Directors and shall be annexed to the annual report on CSR.

The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by—

- a. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4;
or
- b. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities;
or
- c. A public authority.

The Board's Report of a company covered under CSR Rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in the prescribed Annexure given in the CSR Rules.

“ANNEXURE – I”

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD’S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company	
4.	Provide the details of Impact assessment of CSR projects carried out in Pursuance of Sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial year, if any.	

Sr. No.	Financial Year	Amount available for set-off from preceding Financial years (in Rs.)	Amount required to be set off for the Financial year, if any (in Rs.)
1			
2			
3			
4			
	Total		

6.	Average net profit of the Company as per Section 135(5).	
7.	(a) Two percent of average net profit of the Company as per Section 135(5).	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial years.	
	(c) Amount required to be set off for the Financial Year, if any.	
	(d) Total CSR obligation for the Financial year (7a + 7b - 7c).	

8.(a) CSR amount spent or unspent for the Financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer

Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	State	District	Location of the Project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation Through Implementing Agency.
											Name	CSR Registration number:
1												
2												
3												
	Total											

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr No	Name of project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	State	District	Location of the project	Amount spent for that project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.
									Name CSR registration number
1									
2									
3									
	TOTAL								

(d) Amount spent in Administrative Overheads	
(e) Amount spent on Impact Assessment, if applicable	
(f) Total amount spent for the Financial (8b + 8c + 8d + 8e)	

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	
(ii)	Total amount spent for the financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	

9.(a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1							
2							
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the Project- Completed / ongoing
1								
2								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year.

(asset-wise details)

(a) Date of creation or acquisition of the capital asset(s)	
(b) Amount of CSR spent for creation or acquisition of capital asset.	
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section135(5)	
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(Chief Executive Officer or
Managing Director or
Director)

(Chairman CSR Committee)

[Person specified under
clause (d) of Sub-section (1) of
Section 380 of the Act]
(Wherever applicable)