

**SAHAJANAND TECHNOLOGIES PRIVATE LIMITED**

**Corporate Social Responsibility Policy**

CSR Policy Sahajanand Technologies Private Limited

## 1. PREAMBLE:

In terms of the provisions of Section 135 of the Companies Act, 2013 and rules made thereon as amended from time to time and in pursuance of the Company's policy for good Corporate Governance Compliance and disclosure, this policy on the CSR adopted by Company.

Sahajanand Technologies Private Limited, a socially committed and responsible corporate citizen, pledges that it would work towards upliftment of the rural, poor, marginalized, disadvantaged and deprived communities of India and ensured environmental sustainability and to make our planet a better place for future generations and vision on CSR is to enhance the quality of life and the economic well being of communities around our operations. The CSR initiatives of Company would be aimed at the basic life necessities of the individual and collective life amenities of the community as well and focuses on promotion of healthcare including preventive healthcare, promotion of education and empowering women.

## 2. OBJECTIVE OF THE POLICY:

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society and economy in which we operate by conducting business which enables creation and distribution of wealth for the betterment of local population, its stakeholders and society at large, through implementation and integration of ethical systems and sustainable management practices.

## 3. SCOPE AND IMPLEMENTATION OF THE POLICY:

In furtherance of its CSR objects, the following are covered under this Policy-

- a) CSR activities implemented by the Company on its own.
- b) CSR activities of the Company through an external trust, society, Company, NGOs, government bodies, educational institutions, other corporates & industry associations and other suitable implementing organizations as implementing partners for its CSR programs.
- c) CSR Activities of the Company through any entity which are duly registered and/or authorized to carry out such activities as per Companies Act, 2013 and Rules made thereunder.

## 4. DEFINITIONS:

- a) **"Act"** means the Companies Act, 2013, Rules framed thereunder and any amendments thereto.
- b) **"Administrative overheads"** means the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme and such amount of administrative overheads does not exceeds five percent of total CSR expenditure of the company for the financial year.
- c) **"Applicable Laws"** shall mean the Companies Act, 2013 and the rules made thereunder as amended from time to time and such other act or rules.
- d) **"Approved Budget"** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
- e) **"Board of Directors"** or **"Board"** means the collective body of the Directors of the Company.
- f) **"Company", "This Company", "The Company"**, wherever occur in the policy shall mean **"Sahajanand Technologies Private Limited"** or ("STPL").

- g) "Corporate Social Responsibility (CSR)"** means and includes but is not limited to:-
- Projects or programs relating to activities specified in Schedule VII to the Act or
  - Projects or programs relating to activities undertaken by the 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 cover subjects enumerated in Schedule VII of the Companies Act 2013.
- h) "CSR Committee"** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more Directors.
- i) "CSR Policy"** related to the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of the Company.
- j) "Financial Year"** shall mean the period beginning from 1<sup>st</sup> April of every year to March 31<sup>st</sup> of the succeeding year.
- k) "Net Profit"** shall not include such sums as may be prescribed by the act, and shall be calculated in accordance with the provisions of Section 198.
- l) "Ongoing 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;
- m) "Policy" or "This Policy"** means, "Corporate Social Responsibility Policy (CSR Policy)".
- n) "Rules"** shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

## **5. INTERPRETATION:**

Terms that have not been defined in this policy shall have the same meaning assigned to them in the Companies Act, 2013.

## **6. CSR ACTIVITIES:**

The Companies (CSR Policy) Rules, 2014, the term CSR has been defined by way of enlisting of activities which shall not be considered as CSR.

According to Rule 2(1)(d) "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 these rules.

The statutory provision and provisions of CSR Rules, 2014, are to ensure that activities undertaken in pursuance of the CSR policy must relate to Schedule VII of the Companies Act, 2013.

## **7. CSR COMMITTEE:**

The CSR Committee shall be consisting of Directors, who shall meet at least once in a year to discuss and review the CSR activities and policy. The quorum shall be two members, as required to be present for the proceeding of meeting to take place. The Chairperson and other members of the Committee shall be as decided by Board.

## **8. ROLE AND RESPONSIBILITIES OF CSR COMMITTEE:**

In terms of the provisions of Section 135 and Rule 5(2) of the amended Rules, the CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy which shall specifically include:

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) monitor the Corporate Social Responsibility Policy of the Company from time to time;
- d) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- e) the manner of execution of such projects or programmes;
- f) the modalities of utilisation of funds and implementation schedules for the projects or programs which shall be as per provisions of Companies Act, 2013;
- g) monitoring and reporting mechanism for the projects or programmes;
- h) details of need and impact assessment, if any, for the projects undertaken by the Company;
- i) Ensure that it does not include the activities undertaken in pursuance of normal course of business; and
- j) Ensure that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of Company.

## **9. ROLE OF BOARD OF DIRECTORS:**

In terms of provisions of sub Section 4 of Section 135, the Board of Company shall

- a) after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the Company and disclose contents of such Policy in its report and also place it on the Company's website;
- b) ensure that the activities as are included in Corporate Social Responsibility Policy of the Company are undertaken by the Company;
- c) ensure that the Company spends, in every financial year, at least two per cent. of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy:

Provided that 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;

Provided further that if the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-Section (3) of Section 134, specify the reasons for not spending the 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 and if the Company spends an amount in excess of the requirements as provided under act, such Company may set off such excess amount against requirement to spend under Section 135 read with rules made thereunder, for such number of succeeding financial years and in such manner, as may be prescribed under Companies Act.

## **10. MONITORING PROCESS:**

- a) The Committee shall monitor the above projects, programs, activities and implementation and execution of the same from time to time and report the same to the Board of Directors on a periodical basis.
- b) The Committee shall on completion of every financial year, submit to the Board, details of the CSR spent during the financial year and reasons for the actual spent being less than the limits prescribed by the law, if any.
- c) The report on CSR shall form part of Board's Report of the Company.
- d) The Committee shall recommend changes/editions to be carried out in the policy to the Board from time to time.

**11. POLICY REVIEW:**

This policy shall be reviewed from time to time so that the policy remains compliant with applicable legal requirements. The Board of Directors will keep the policy updated as per applicable statutory guidelines.

**12. AMENDMENT:**

The Board shall have power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy according to subsequent modification(s) / amendment(s) to applicable provisions of Companies Act, 2013.

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