

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. SHORT TITLE

This policy in relation to the Corporate Social Responsibility ("CSR") of Systango Technologies Limited (Formerly Known as - Systango Technologies Private Limited) is titled the "CSR Policy" and shall include any alterations, amendments or modifications hereto from time to time.

1. CSR VISION

- i. The Company completely endorses reliability. It is committed to conducting business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.
- ii. The Company is committed to improving the quality of lives of people in the communities in which it operates because society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to society through CSR activities is its moral duty.
- iii. The Company aims to fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

2. OBJECTIVE

The objective of the Corporate Social Responsibility (CSR) policy ("Policy") of Systango Technologies Limited (Formerly Known as - Systango Technologies Private Limited) is to lay down guidelines for proper execution of CSR activities of the Company so as to support the sustainable development of the society.

It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

3. DEFINITIONS

- "Act" means the Companies Act, 2013.
- "Board" means the Board of Directors of the Company.
- "Director" means a member of the Board of the Company.
- "Company" means Systango Technologies Limited (Formerly Known as - Systango Technologies Private Limited).
- "CSR Activities" means such programs and projects as may be approved by the Board in terms of this CSR Policy.
- "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- "CSR Policy" relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
- "CSR Expenditure" means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.
- "Implementing Agency" means an implementing agency as defined under paragraph 5.

- “Net Profit” means the net profit of the Company as per its financial statements prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
 - 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.

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

4. CSR Committee

The Company is not required to constitute the CSR Committee, as the amount to be spent by company does not exceed Rs. 50 Lakh and function of such committee shall be discharged by Board of Directors.

5. IMPLEMENTATION OF THE CSR POLICY

The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Companies Act, 2013 and CSR Rules.

The implementation of programs in India will be aligned to **Schedule VII of the Companies Act, 2013**.

The CSR Activities may be undertaken by the Company directly or with the prior approval of the Board, through any of the following entities as “Implementation Agency” being duly registered with the Central Government and having a unique CSR Registration Number:

- i. Company established under section 8 of the Indian Companies Act 2013, or Trust or Society registered under section 12-A and 80-G of the Income Tax Act 1961, being established by the Company, either singly or along with any other company;
- ii. The company established under section 8 of Indian Companies Act 2013, or Trust, or Society, being established by (Indian) Central Government or (Indian) State Government;
- iii. The company established under section 8 of the Indian Companies Act 2013, or Trust, or Society registered under section 12-A and 80-G of the (Indian) Income Tax Act 1961, and has an established track record of at least three years in undertaking similar CSR activities; or
- iv. Any entity established under an act of (Indian) Parliament or a (Indian) State Legislature.
- v. A combination of any of the above modes from (i) to (iv)

6. CSR EXPENDITURE

- The Company shall spend at least 2% (two per cent) of average Net Profits of the Company made during the three immediately preceding financial years in accordance with the Act and the Rules and the CSR Policy.
- The Board shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.

- The Board shall be responsible for sanctioning the CSR Expenditure and for taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Agency for application towards the CSR Activities.
- Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be reallocated to the CSR Activities being undertaken in terms of this CSR Policy and the annual action plan for the financial year in which such surplus has arisen.
- The Board shall ensure that the administrative overheads shall not exceed five per cent of total CSR expenditure of the company for the financial year.

7. CSR ACTIVITIES:

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

- **Hunger, poverty, malnutrition and healthcare:** 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.
- **Education:** Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently able and livelihood enhancement projects.
- **Gender equality and empowerment of women:** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- **Environmental sustainability:** 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.
- **National heritage, art and culture:** 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;
- **Armed Forces** 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;
- **Rural Development:** rural development projects, 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, training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
- **Contribution To The Prime Minister's Fund:** 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- **Contribution to research by Government:** 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

- **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).
- disaster management, including relief, rehabilitation and reconstruction activities.
- any other project as may be specified under Schedule VII of the Act, from time to time.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.

8. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board shall:

- Formulate and periodically review the CSR Policy.
- Formulate and recommend the annual action plan.
- Indicate the list of activities to be undertaken by the Company in areas or subject. For India, this will be aligned to activities specified in **Schedule VII of the Companies Act, 2013**.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the implementation of the CSR Policy of the Company from time to time.
- Monitor and report on the progress of the annual action plan.
- Ensure implementation of the activities under CSR.
- Place the CSR Policy on the Company's website, if any.
- Ensure expenditure of requisite amount on CSR every year as per law.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board.
- Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of the Company shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.
- Ensure that any surplus arising out of the CSR activities shall not form part of the business profit 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.

9. MONITORING AND REPORTING

A. Monitoring:-

- The Board shall monitor periodically the implementation of the projects /programs activities undertaken by the Company.
- Feedback would also be obtained and documented from the beneficiaries and influential local leaders by the respective work centers about the programmes, as and when required.

- Field visits would be conducted by the respective CSR teams to ensure the progress of the programmes at their work centers. The visits would be informed and surprised also.
- The Finance and Accounts Team of the Company in consultation with the CSR Committee would conduct audit of the CSR programmes as and when required. The Finance and Accounts would, from time to time, also guide the respective partners and CSR team of the Company on necessary compliances.
- Impact Assessment would be conducted on a periodic basis, through CSR team of BIL and independent professional third parties if need be, especially on the strategic and high value programmes.

B. Reporting

The Board's report shall include the following particulars:

- A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs
- The composition of the CSR Committee, if applicable
- Average net profit of the company for last three financial years
- Prescribed CSR Expenditure (2% of the amount of the net profit for the last 3 financial years)
- Details of CSR spent during the financial year
- In case the company has failed to spend 2% of the average net profit of the last three financial years, the reasons thereof
- A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

10. MISCELLANEOUS

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.