

CORPORATE SOCIAL RESPONSIBILITY POLICY

of

SOFTDEL SYSTEMS PRIVATE LIMITED

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1. Introduction

The concept of Corporate Social Responsibility has gained prominence across all avenues. Organisations have realised and understood that for the upliftment of society, it is necessary to integrate their business processes with social programs. Softdel Systems Private Limited adopts this CSR policy as a strategic tool for sustainable growth of their organisation and titles this policy as “Softdel CSR Policy”.

This Softdel CSR Policy has been framed by the Company in accordance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. This Softdel CSR Policy should serve as the referral document for all CSR-related activities of the Company.

2. Definition

1. **“Act”** means the Companies Act, 2013, as amended from time to time.
2. **“Board”** means the Board of Directors of the Company.
3. **“Company”** means Softdel Systems Private Limited.
4. **“CSR”** means Corporate Social Responsibility.
5. **“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules 2014 and amendments thereon.
6. **“CSR Policy”** means the policy adopted by the Board of the Company from time to time.
7. **“Net profit”** shall have the meaning ascribed to it in the Act.
8. **“Softdel CSR Policy”** means this policy was adopted on December 09, 2020.

Unless the context otherwise requires, the definitions mentioned in the CSR Rules and the Act shall apply to this Softdel CSR Policy.

3. Objective of the Softdel CSR Policy

The main objectives of the Softdel CSR Policy are:

1. To lay down the guiding principles for undertaking, directly and indirectly, various programs and projects that benefit the community.
2. To enhance the quality of life and economic well-being of the local populace through registered Trusts/Societies.

4. Role of the Board

1. Formulate and approve the CSR Policy for the Company, which shall indicate the activities to be undertaken; disclose contents of this policy in its report and place it on the Company's website.
2. Recommend and approve the amount of expenditure to be incurred on CSR activities.
3. Monitor the CSR Policy of the Company from time to time.
4. 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, calculated in accordance with section 198 of the Act, in pursuance of its CSR policy.
5. The Board in every financial year shall review and approve in its meeting the annual action plan for that particular year to undertake the CSR activities/projects.
6. 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 of the Act, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in section 135(6) of the Act, transfer such unspent amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
7. In case of an ongoing project, the board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modification, if any required.

5. CSR Programmes and Projects

The Company proposes to adopt one or more of the following CSR activities as prescribed by applicable laws, including Schedule VII of the Companies Act, 2013, as amended from time to time:

1. Eradicating hunger, poverty, and malnutrition; promoting health care including preventive health care and sanitation, which also contains a contribution to the Swachh Bharat Kosh set-up by the Central Government for promotion of sanitation and making safe drinking water available.
2. Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly, and the differently abled, and livelihood enhancement projects.
3. 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.

4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5. 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.
6. 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.
7. Training to promote rural sports, nationally recognised sports, Paralympic sports, and Olympic sports.
8. 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.
9. (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).
10. Rural development projects
11. Slum area development, where '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.
12. Disaster management, including relief, rehabilitation, and reconstruction activities.

6. CSR Implementation

1. The Company may undertake the CSR activities as are included in Softdel CSR Policy by the Company itself or through 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, established by the Company, either singly or along with any other company, or

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.
2. The Company may engage international organisations for designing, monitoring, and evaluation of the CSR projects or programmes as per this Softdel CSR policy as well as for capacity building of their own personnel for CSR.
3. A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the Board or CSR committees of respective companies, as the case may be, are in a position to report separately on such projects or programmes in accordance with these rules.

7. Monitoring Mechanism:

At the beginning of every financial year, the Board of Directors shall discuss the annual action plan and CSR budgets along with the below mentioned points:

- i. list of CSR projects to be undertaken,
- ii. manner of execution of such projects,
- iii. utilization of funds,
- iv. monitoring and reporting mechanism for the projects or programs; and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board of Directors may alter the said annual action plan, any time during the financial year.

The Board of Directors allocate the budgets to programs and projects in domains that are aligned with the CSR Policy. A significant proportion of programs comprise ongoing, long-term projects and these are deemed to be approved till the end of the respective project periods.

Along with approval of the annual plan, the Board will review the progress of all key programs vis-à-vis its broad objectives for the previous year including effective utilization of the funds and a formal assessment of outcomes and impacts as considered relevant by the Board.

All decisions on outcome/impact evaluation are required to be presented to the Board once a year.

8. Reporting and Disclosure

The Board Report of the Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

The CSR policy approved by the Board shall be displayed on the Company's website.

9. General

1. In case of any doubt concerning any provision of Softdel CSR Policy or in respect of matters not covered herein, a reference should be made to Mr. Anil Balkrishna Wani. In all such matters, the interpretation and decision by Mr. Anil Balkrishna Wani shall be final.
2. All provisions of this Softdel CSR Policy would be subject to revision/amendment in accordance with the applicable laws.
3. The Company reserves the right to modify, cancel, add, or amend this Softdel CSR Policy.

10. Review of the CSR Policy

The Board shall review the CSR Policy from time to time based on the changing needs and make suitable modifications as may be necessary.

In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Softdel CSR Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.