



Corporate Social Responsibility Policy

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➤ **PREAMBLE**

Corporate Social Responsibility 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. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. Corporate Social Responsibility 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.

Being a good corporate citizen is an integral part of "Infiloom India Private Limited". Over the last decades, the Company has carried out various CSR activities directly , indirectly and through its trusts. Providing quality services at affordable prices has always been "Infiloom India Private Limited" focus.

Further pursuant to provisions of section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 every Company having Net worth of Rs.500 Crores or more or turnover of Rs. 1000 Crores or more or Net Profit of Rs.5 Crores or more shall constitute Corporate Social Responsibility Committee (CSR Committee) and same shall formulate and recommend policy.

The Committee so constituted formulated and recommended the Board of Directors a CSR Policy for its approval. The Board in its meeting held on 28th January 2015 has inter alia considered and approved CSR policy with immediate effect.

➤ **NAME, OBJECTIVE OF THE POLICY**

1. This Policy shall be called the “**Corporate Social Responsibility Policy**”.
2. In alignment with vision of the company, Infiloom India Private Limited, 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 & initiatives, so as to promote sustained growth for the society and community, in fulfillment its role as a Socially Responsible Corporate, with environmental concern.

The objective of the “Infiloom India Private Limited” CSR Policy is to

- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- Directly or indirectly take up programmes that benefit the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
- Directly or indirectly take up programmes that benefits the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic and literacy percentage society at large.

➤ **Definitions**

- i. “**Act**” means the Companies Act, 2013 and Rules made thereunder
- ii. “**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;
- iii. “**Corporate Social Responsibility (CSR)**” means and includes but is not limited to:-
 - a) Projects or programs relating to activities specified in Schedule VII to the Act; or
 - b) Projects or programs relating to activities undertaken by the board of directors of a 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 cover subjects enumerated in Schedule VII of the Act.

- iv. **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- v. **"CSR Policy"** relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and act the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company;
- vi. **"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:-
- a) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- b) 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, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act:
- Provided further that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381 read with section 198 of the Act
- vii. **"Rules"** means Companies (Corporate Social Responsibility Policy) Rules 2014
- viii. **"Infiiloom/Company"** means Infiiloom India Private Limited
- ix. **"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;

Words and expressions used and not defined in these rules but defined in the act shall have the same meanings respectively assigned to them in the Act.

➤ **CSR ACTIVITIES:-**

The policy recognizes that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improves the lives of underprivileged by one or more of the following focus area as notified under Section 135 of Act and rules made thereunder.

1. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation & making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly & the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women & orphans; setting up old age homes, day care centres, and such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agroforestry, conservation of natural resources & maintaining quality of soil, air & water;
5. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up of public libraries; promotion & development of traditional arts & handicrafts;
6. Measures for the benefit of armed forces veterans, war widows & their dependents;
7. Training to promote rural sports, nationally recognized sports, paralympic sports & Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects

➤ **CONSTITUTION OF CSR COMMITTEE:-**

“Infiloom” have formed CSR Committee of members of Board of Directors shall be ultimately responsible for undertaking and monitoring CSR projects. The committee shall report Board of Directors of the Company.

 **Committee Members:-**

Sr. No.	Names of Members	Designation
1.	Mr. Rohit Pal	Chairman
2.	Mr. Radhakrishnan Balakrishna Menon	Member
3.	Mr. Ashwini Kakkar	Member

Responsibilities:-

- ❖ Formulate, review and update CSR policy
- ❖ Identify the areas for undertaking CSR Projects
- ❖ Approve the projects which are in line with CSR policy
- ❖ Formulate and recommend of the CSR expenditure to Board of Directors
- ❖ Lay down monitoring and reporting mechanism
- ❖ Meet periodically as may be necessary

➤ **ANNUAL SPENDS / ALLOCATION OF FUNDS:-**

“Infiloom” pledges to contribute at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

“Infiloom” may enhance the expenditure amount in accordance with the growth and profitability of the company in future.

➤ **IMPLEMENTATION**

The Company shall undertake CSR project/programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy.

The Company shall implement its CSR programmes/projects:

- ❖ On its own, through the relevant HR or CSR department: or
- ❖ Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Act ; or
- ❖ Through its own foundation (if applicable) specifically created for implementing its CSR initiatives; or
- ❖ The Company may enter into partnerships or alliances with NGOs, Trusts, or other Corporate Foundations etc. to effectively implement its CSR programmes/projects; or
- ❖ The Company can also implement programme in collaboration with other company (ies), if permissible and feasible.

The Company shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners and shall be subject to provisions of Section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Charitable Trusts, Sections 8 companies, registered societies, NGO's and such other organizations carrying out the CSR activities, shall register itself with the Central Government (MCA) by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021 and obtain an unique CSR Registration Number., However if the CSR projects or programmes are approved prior to the 01st day of April 2021, then the registration for those old continuing projects may not be required.

The CSR Committee shall recommend the annual CSR Expenditure Budget to the Board for its consideration and approval;

Programme / activities to be undertaken by the Company under the CSR shall be as approved by Board of Directors (the Board) in pursuance of recommendations of the CSR Committee of the Board.

A specific budget shall be allocated for each specific CSR activity/project. This budget shall be project/activity driven. The time period / duration over which the activities will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The Board shall satisfy itself that the funds so disbursed have been utilized 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.

The CSR Committee could, from time to time, recommend donating or making grants to the PM's fund or funds set up by the Central and State Governments or to non-profit organizations and other institutions whose activities are aligned with the Company's CSR.

The Company can now incur Administrative overheads" which will mean 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. Thus, the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company will be covered under Administrative overheads. The expenses directly incurred by the company for "designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme" shall be considered as CSR expenditure and not administrative overheads.

➤ **Annual Action 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:-

- ❖ the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- ❖ the manner of execution of such projects or programmes;
- ❖ the modalities of utilization of funds and implementation schedules for the projects or programmes;
- ❖ monitoring and reporting mechanism for the projects or programmes; and
- ❖ details of need and impact assessment, if any, for the projects undertaken by the company:

Provided the Board of Directors 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.

➤ **Acquisition of capital assets**

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

- ❖ 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 Rule 4(2); or
- ❖ beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- ❖ a public authority:

➤ **Managing unspent CSR expenditure**

As sub-section (5) of Section 135 of the Companies Act 2013, 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 referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Further, any amount remaining unspent under sub-section (5) of Section 135, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the "Unspent Corporate Social Responsibility 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 three financial years from the date of such transfer, failing which, 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.

➤ **MONITORING AND REPORTING**

The CSR Committee shall prepare and implement proper and transparent monitoring and reporting system for CSR project and shall report Board of Directors periodically. A progress of monitoring and reporting framework should be aligned with the requirements of Section 135 of the Companies Act 2013 and the CSR Rules.

Further Directors Report shall be annexed with Annual CSR Report in format as prescribed and as required by provisions of Act.

➤ **REVIEW OF THE POLICY**

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be made and recommended by the CSR Committee and approved by the Board of Directors.

For **Infiloom India Private Limited**

Chairman

Date: 25th March 2022

Place: Pune