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<b>Corporate Social Responsibility (CSR) Policy</b>					
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## Table of contents

1	Introduction/Objective .....	2
2	Applicability .....	2
3	Scope.....	2
4	Regulatory Framework .....	2
5	Selection of CSR Activity.....	2
6	CSR Budget & Expenditure .....	3
7	CSR Governance Structure.....	4
7.1	Board of Directors ('Board').....	4
7.2	CSR Committee .....	4
7.3	CSR Team .....	5
8	CSR Focus Areas/Areas of interest.....	6
9	Implementation of CSR Activities .....	7
9.1	Selection of Implementing Agency .....	7
10	Monitoring Mechanism of CSR Activities .....	7
11	Annual Action Plan.....	8
12	Communication & Disclosure .....	8
13	Limitations and Amendments .....	9
14	Effective date of the Policy/period of validity.....	9
	Terms and abbreviations.....	9
	Revision history.....	9

## 1 Introduction/Objective

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the ecological, physical and social environment in which it operates. It is a step towards organizations to become socially responsible corporate citizens and create positive impact on the environment, communities and societies. Syntegon Technology India Private Limited ("Company") seeks to be a good corporate citizen in all aspects of its operations and activities. It is the Company's intent to make a positive difference to our ecology and society through implementation of sustainable initiatives which will have maximum societal impact by identifying the critical needs and gaps.

This Corporate Social Responsibility Policy ("CSR Policy") has been adopted by the Company in consonance to Section 135 of the Companies Act 2013 ("Act"), the Companies (Corporate Social Responsibility Policy) Rules 2014 ("CSR Rules"), and notifications/circulars issued by the Ministry of Corporate Affairs, Government of India from time to time (collectively referred to as the "Applicable Law").

The objective of this Policy is to articulate Company's core philosophy of social responsibility, to define the areas chosen by the Company to impact the society with its efforts towards Corporate Social Responsibility (CSR) and to define the governance and monitoring framework for ensuring effectiveness of the Policy. This Policy shall act as a guiding principle for selection, implementation, and monitoring of the CSR activities as well as formulation of the CSR Annual Action Plan.

## 2 Applicability

The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

This policy shall be applicable to the Company and all its employees.

## 3 Scope

The Policy encompasses planning and conceptualization, formulation, collaboration, implementation, monitoring, evaluation, documentation, and reporting of CSR activities of the Company.

## 4 Regulatory Framework

The Act together with the CSR Rules notified thereunder and Schedule VII to the Act provides a framework for Companies to define the key thrust areas in the CSR space. The law also guides companies to apply the scope as defined under Schedule VII liberally. Further, it also provides instructions on agencies eligible for implementation through which companies spend its CSR expenditure. The Company's CSR Policy, Key Focus Areas and the implementing agencies shall therefore remain within the boundary set by the law.

## 5 Selection of CSR Activity

The Company shall spend its CSR expenditure in accordance with Section 135 of the Companies Act, 2013 and rules made thereunder. Any of the following factors can be taken into consideration for selection of CSR Activities:

- (a) Alignment of the project with the focus area specified in this CSR Policy;
- (b) Impact on the society/community at large and the environment;

- (c) Inclusive growth;
- (d) Sustainability of the projects to ensure long term impact;
- (e) Timeframe within which the project can be completed;
- (f) Key beneficiaries of the project and the impact on them; and
- (g) Availability of an Exit option

The following activities shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a Company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.
5. Any sponsorship activities for deriving marketing benefits for products / services
6. Any activities for fulfilling statutory obligations under any law in force in India

Based on the aforesaid factors, the CSR Committee will identify areas for the CSR Programs of the Company. Preference shall be given to the local areas or areas where it operates, for spending the amount earmarked for the Corporate Social Responsibility Activities. A need assessment, if required may be carried out to indentify the CSR areas along with the availability of resources.

## 6 CSR Budget & Expenditure

1. The total annual budget for the CSR activities/ projects will be recommended by the CSR Committee and shall be approved by the Board of Directors of the Company as a part of its Annual Action Plan.
2. Within the Budget, the allocation towards specific CSR initiatives/projects will be approved by the CSR Committee. All CSR projects undertaken by the Company shall be approved/ratified by the CSR Committee.
3. Further, based on reasonable justification, the Board of the Company can alter the Annual Action Plan at any time based on the recommendation of the CSR Committee.
4. The expenditure to be incurred on CSR activities/ project during a financial year shall not be less than 2% of the average net profit (calculated in accordance with relevant provisions of the Act and CSR Rules) during three immediate preceding financial years of the Company.
5. If the Company fails to spend such amount of CSR expenditure for a particular financial year, the Company shall ensure due compliance with the necessary provisions under the Act including reclassification of the project as ongoing project.
6. The CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework. However, the Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
7. 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 CSR project or shall be dealt according to the provisions of the applicable law.

8. If in a given year, any unbudgeted expenditure is required to be incurred either on account of a new project(s) or due to increase in the outlay for an approved project or for any other exceptional reasons/contingency, such unbudgeted expenditure can be incurred subject to the following approvals:
  - a. Upto Rs. 1 lakh – with prior approval of the Managing Director
  - b. Above 1 lakh to 3 lakh – with prior approval of the CSR Committee

The same shall be put up for ratification of the CSR Committee at its next meeting and reported to the Board from time to time to ensure Committee's & Board's oversight on such CSR expenditure.

9. In any year, where the Company has spent in excess of its CSR obligation, such excess spending shall be available for set off against the Company's CSR obligations for up to the next three financial years in accordance with Applicable Law, and the Board shall be competent to pass a resolution in this regard.

## 7 CSR Governance Structure

### 7.1 Board of Directors ('Board')

The Board will have an oversight on the adherence to this Policy. The Board will be responsible for:

- Forming a CSR Committee of the Board or modifying its composition from time to time
- Approving the CSR policy as recommended and formulated by the CSR Committee
- Ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation made during the three immediate preceding financial years on the CSR activities specified in Schedule VII of the Act.
- Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively, and regularly monitoring implementation.
- Disclosing in its Annual Report the necessary disclosures in respect of CSR activities of the Company as prescribed under the law and ensure annual reporting of its CSR activities on the Company website.
- Ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the format prescribed.

### 7.2 CSR Committee

The Board of Directors shall constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of at least two or more Directors in accordance with the applicable laws. The Company Secretary of the Company will act as a Secretary to the Committee. The first CSR Committee of the Company shall be comprised of the following Directors:

Sr. No.	Name of the Members	Nature of Directorship	CSR Committee Designation
1.	Mr. Nilesh Vedak	Managing Director	Member/Chairman
2.	Mr. Chandra Prasad Raghavan	Whole Time Director	Member

Terms of Reference of the CSR Committee:

1. The Committee will meet as frequently as desired, to review policies, discuss the strategy, review project progress and set the direction for the future, and in any event shall be held not less than two times in a year.
2. The quorum for the CSR Committee meetings shall be one-third of its total strength of Directors or two members, whichever is higher.
3. If CSR activities are outsourced to any external organization viz. an Implementing Agency, a representative from such organization may be invited to attend a meeting of the CSR Committee.
4. Meetings of the CSR Committee shall be summoned by the Company Secretary at the request of the Chairman or any Member thereof.
5. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.
6. No one other than the CSR Committee Chairman and other members is entitled to vote at a meeting of the CSR Committee.
7. The proceedings of the meetings of the CSR Committee must be minuted and signed by the Chairperson of the Committee at the subsequent Meeting.
8. Unless varied by these terms of reference, meetings and proceedings of the CSR Committee will be governed by the provisions of the Act, the CSR Rules made thereunder, the Secretarial Standards and the Company's Articles of Association regulating the meetings and proceedings of Board Committees.
9. The CSR Committee will be responsible inter alia for:
  - Formulating and approving a CSR Policy (and modifications thereto from time to time) and recommend the same to the Board for its approval
  - Identifying and approving activities or specific projects to be undertaken in pursuance of the Focus Areas outlined in this Policy
  - Recommending to the Board the CSR activities and the amount of expenditure to be incurred on it.
  - Formulating and recommending to the Board an Annual Action Plan in pursuance of its CSR Policy
  - Nominating a CSR Team and advising the team for effective implementation of the CSR Programs
  - Setting monitoring mechanisms in place to review the progress/implementation of CSR Projects being undertaken by the Company and tracking these projects on a regular basis
  - Monitoring the CSR Policy of the Company from time to time.
  - Identifying the Companies with which the Company can collaborate for carrying its CSR activities
  - Undertaking wherever appropriate benchmarking exercises with other corporates to reassure itself of the efficacy and effectiveness of Company's CSR spends
  - Submitting periodical reports to the Board
  - Approving the disclosures which are part of the Company's Annual Report
  - Undertaking such activities and carry out such other functions as mandated by the Board or as may be provided under Section 135 of the Act and the CSR Rules

### 7.3 CSR Team

The Company's CSR Programs will be driven by a dedicated CSR Team constituted by the CSR Committee and under the guidance and support of the CSR Committee and the Managing Director. The CSR Team would play a significant role in implementation of the CSR Programs ensuring that the same are in line with the Policy and the purview of the applicable laws governing

CSR. The terms of reference of the CSR Team shall be defined by the CSR Committee from time to time. The CSR Team will be responsible inter alia for:

- Assisting the CSR Committee in identifying the areas of CSR activities and execution of initiatives as per defined guidelines
- Coordination with the implementing agencies, if any for the successful implementation of the CSR Programs;
- Reporting the progress and impact of the CSR Programs on a quarterly basis to the CSR Committee

## 8 CSR Focus Areas/Areas of interest

The Company has chosen the following areas for undertaking its CSR Activities. These activities are covered under Schedule VII of the Act:

1. 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;
2. Promoting education, including special education and employment enhancing vocation 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 centers 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 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 recognized 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
9. 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
10. 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 Organization (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).

11. Rural development projects;
12. Slum area development (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);
13. Disaster management, including relief, rehabilitation and reconstruction activities.

The CSR Committee may recommend any of the above activities and periodically review them.

## 9 Implementation of CSR Activities

The CSR activities will be undertaken by the Company either directly through its CSR Team or through other entities eligible to undertake CSR activities under Applicable Law ("Implementing Agencies/IA"). For this purpose the Company may enter into Memorandum of Understanding (MOU) with the Implementing Agencies setting out clear terms and conditions to enable completion of projects in the most efficient manner. Accordingly, the CSR Team or IA will work closely with and support the Board and the CSR Committee in executing the CSR Activities of the Company.

The Company may collaborate with other companies if required for undertaking the projects or programs or activities of CSR subject to the conditions specified under the applicable law.

Collaborative partnerships may also be formed with the Government, the District Authorities, the Village Panchayats, NGOs and other like minded stakeholders to widen the Company's reach and leverage upon the collective expertise, wisdom and experience of these stakeholders.

Further, the Company may contribute/donate to such other Organizations/Institutions as may be permitted under the applicable laws from time to time.

The Company may use the services of internal teams, expert agencies, consultancy firms etc., wherever required for carrying out base line surveys, guidance on project design and implementation, due diligence of IA, impact assessment surveys, monitoring the programs etc., during the implementation of its various CSR activities or programmes.

### 9.1 Selection of Implementing Agency

The IA shall meet the statutory eligibility criteria laid down under the Act. Additionally, the Company shall conduct appropriate due diligence before associating with them. Such due diligence may inter alia cover aspects of:

- a. Financial position and credibility;
- b. History and experience in the relevant area or similar activity;
- c. Availability of necessary statutory registrations;
- d. Governance and management standards of the agency;
- e. Any political connections or dubious affiliations of the agency;
- f. Any potential conflict of interest; and
- g. Existing and past litigations

## 10 Monitoring Mechanism of CSR Activities

The CSR activities of the Company will be duly monitored to ensure that the identified CSR activities are carried out to reap optimal benefits for the beneficiaries. The monitoring process adopted by the Company may include obtaining of reports of different kind, self-declaration, On-site visit, pictures or videos of project sites, etc. Further, the monitoring process may involve

1. Periodic reporting; and
  2. Periodic review and assurance visits of the CSR projects
1. Periodic reporting: The CSR Team/IA will be required to submit project fund utilization statement on a periodic basis and the audited financial statement, utilization statement, etc. on a yearly basis.
  2. Periodic review and assurance visits: The Company will be permitted to undertake field visits, review calls, obtain feedback of Project Beneficiaries, conduct independent assurance or evaluation visits to assess the project implementation including key milestones or key performance indicator, fund utilization and usage of capital assets, etc.

Notwithstanding the aforesaid, the Company may determine any specific review and reporting requirement including third party audits or evaluation by external agencies depending on the nature of IA and the project involved.

Further, the impact assessment shall be conducted for eligible CSR projects or programs as mentioned under the Act.

## 11 Annual Action Plan

All the guiding principles as required to be followed for implementing and monitoring the CSR Activities shall also be followed while formulating the Annual Action Plan. The Annual Action plan shall be simple, action oriented, measurable, relevant and time bound.

This Annual Action Plan shall include the following details:

- ✓ the list of CSR projects or programmes that are proposed to be undertaken in areas or subjects specified in this policy and Schedule VII of the Act
- ✓ defined objectives developed out of societal needs
- ✓ 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
- ✓ details of need and impact assessment, if any, for the projects or programmes undertaken

Every year, the Committee will place for the Board's approval, an Annual Action Plan delineating the CSR Programmes to be carried out during the financial year and the succeeding years in the case of Ongoing Projects along with the specified budgets thereof. The Board reviews the Annual Action Plan and approves the same within the ambit of the Act and the CSR Rules.

In case of an ongoing project, the Board, on the recommendation of the CSR Committee, shall approve the implementation of the project with timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time. It shall also monitor the implementation of ongoing projects.

## 12 Communication & Disclosure

The CSR Policy, composition of the CSR Committee and the projects approved by the Board shall be displayed on the website of the Company which can be accessed at this link <https://www.syntegon.co.in/corporate-social-responsibility/>.



The CSR Report including the initiatives/projects of the Company and any impact assessment report if applicable, shall also be reported every year in the Annual Report of the Company in the prescribed format.

The Company's engagement in this domain may also be disseminated in its in house publications for the information of all.

### 13 Limitations and Amendments

The CSR Committee of the Board will review the Policy from time to time based on the changing needs and aspirations of the target beneficiaries and recommend to the Board suitable modifications as may be necessary.

The power to interpret and administer the Policy shall rest with the Chairman of the CSR Committee whose decision shall be final and binding. The Chairman is also empowered to make any supplementary rules/orders to ensure effective implementation of the Policy. These will, however, be reported to or tabled before the CSR Committee from time to time, to ensure CSR Committee's oversight of these issues.

The Board of Directors may in their discretion and on the recommendation of the CSR Committee, make any changes/modifications and/or amendments to this Policy from time to time.

In the event of any conflict between the statutory requirements and the provisions of this policy, the law shall prevail over and automatically be applicable to this policy. In the event of any amendment to the applicable law, this Policy shall be deemed to have been amended accordingly from the effective date of such amendment.

### 14 Effective date of the Policy/period of validity

The Policy shall be effective from 21st December, 2022 until revised.

### Terms and abbreviations

Words and expressions used and not defined in this Policy but defined under the Applicable Law shall have the same meanings respectively assigned to them in the Applicable Law.

PA-FD/ASIA

PA/SFD1-IN

PA/LSR-IN

### Revision history

Index	Date	Editor	Department	Amendment
00	21.12.2022	Jyoti Pednekar	PA/LSR-IN	1 <sup>st</sup> Draft of the CSR Policy