



ACTY SYSTEM INDIA PVT. LTD.

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Corporate Social Responsibility Policy of Acty System India Private Limited

1. INTRODUCTION

CSR in India has traditionally been seen as a philanthropic activity. While the corporate houses have been traditionally engaged in doing CSR activities voluntarily, the new CSR provisions put formal and greater responsibility on companies to set out clear framework and process to ensure strict compliance.

The new Companies Act 2013 (hereinafter referred to as “**the Act**”), has introduced the idea of CSR to the forefront and through its “Comply-or-Explain” mandate. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as “**CSR Rules**”) lays down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Act.

2. APPLICABILITY:

The Corporate Social Responsibility Policy (CSR Policy) has been developed in consonance to Section 135 of the Companies Act, 2013 and in accordance with the Rules made there under.

The Policy shall apply to all CSR activities undertaken by the Company in India as per Schedule VII of the Companies Act, 2013.

3. DEFINITIONS

“Company” shall mean Acty System India Private Limited.

“Board” shall mean the Board of Directors of the Company.

“Act” means the Companies Act, 2013 including any modifications, amendments or re-enactment thereof

“CSR” mean Corporate Social Responsibility

“CSR Policy” means the policy approved by the board as the Corporate Social Responsibility policy of the company as amended from time to time.

“CSR Rules or Rules” means Companies (Corporate Social Responsibility Policy) Rules 2014 including any modifications, amendments or re-enactments thereof

“CSR Committee” means the committee constituted by the Board of Directors in terms of Section 135 of the Act and CSR Rules.

“Net Profits” shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.

“CSR Expenditure” means the amount recommended by the CSR Committee to be incurred on the CSR activities in India in terms of the Companies Act, 2013 and the CSR Rules as approved by the Board from time to time.

4. OBJECTIVE & SCOPE

The main objective of this CSR Policy is to lay down guidelines for M/s. **Acty System India Private Limited** (hereinafter referred to as “**the Company**”) to make CSR as one of the key focus areas to adhere to the Company’s contribution to society through high impact, sustainable programs.

This Policy covers current as well as proposed CSR activities to be undertaken by the Company and examining their alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

The Company will implement its CSR activities in one or more of the sectors as mandated by Schedule VII of the Act which inter alia covers sectors like Healthcare, Sanitation, Drinking Water, Education, Rural Development, Vocational Skills, Employment Opportunities, Medical Aid, Old Aged Homes, Women Hostels, Environment Protection, Conservation of Natural Resources, Public Libraries, Contribution to funds set by the Central or State Government for development and welfare of Scheduled Castes, Scheduled Tribes and minorities, Rural Development Projects, Contribution to technology incubators located within academic institutions, Go Green Initiatives and Human Rights.

Whenever needed the CSR Committee can make amendments in the above sectors.

5. CSR COMMITTEE

i. Constitution

Pursuant to the provisions of Section 135 of the Act, the Board of Directors has constituted the CSR Committee on 4th June 2018.

The CSR Committee shall consist of two or more members of the Board of Directors of the Company.

The CSR Committee should be governed by the Companies Act, 2013 and the CSR Regulations, rules, etc. by whatever name called. The CSR Committee would consist of minimum two members or as prescribed by the specified legislation.

The members of the CSR Committee may elect a Chairman / Chairperson amongst themselves.

Changes to the membership of the CSR Committee, and any modification or variation to the powers and the functions of the CSR Committee will require the approval of the Board,

The Quorum for a meeting of the CSR Committee would be at least [2] members. The meetings shall be held at the registered office of the Company or at such place as may be agreed to by the members of the Committee.

ii. Powers of the Committee

Following are the Powers of the CSR Committee:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time; Any other matter as the CSR Committee members may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.”

iii. Responsibilities of the CSR Committee

The Responsibilities of the CSR Committee include:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken by the Company as specified in Schedule VII as amended.
- Recommending the amount of expenditure for the CSR Activities and
- Monitoring CSR Policy of the Company from time to time.

iv. Frequency of the Meetings of the CSR Committee

The CSR Committee shall meet as and when required. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. the quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Companies Act, 2013 and rules made there under from time to time. Other Members of the Senior Management may

attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee. Minutes of the CSR Committee shall be placed before the Board for noting.

6. CSR BUDGET/CSR SPEND

CSR spend shall be as mandated by the Act. In case the Company fails to spend the above targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year.

7. CSR INITIATIVES

v. Collaboration

The Company may collaborate with Company's other Affiliates or any other Company as may be approved by CSR Committee to implement CSR activities. The Company may form trusts on its own to carry out CSR activities in accordance with the CSR Rules and to administer its CSR activities. The Company may also collaborate its CSR activities with Company's other Affiliates or any other Company as may be eligible and approved by the CSR Committee vis-à-vis the Board of Directors and towards this effort, the Company may jointly along with other its Affiliates or any other Company form Trusts to administer the CSR activities.

vi. Monitoring Mechanism

A Joint Working Group ("JWG") comprising of Country Manager, HR Manager, Finance Manager & Regional Manager -Maharashtra of the Company will be created to ensure effective implementation and monitoring of the projects approved by the CSR Committee. The JWG will submit periodic reports to CSR Committee of the Company on the progress of the various projects approved by the Committee and entrusted to the JWG for implementation and monitoring. JWG shall assist the CSR Committee to prepare reports that are required to be placed before the Board. The format of the Report shall be the format prescribed under the CSR Rules.

8. PUBLICATION OF CSR POLICY & PROGRAMS

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

9. EFFECTIVE DATE:

The Policy is effective from June 4, 2018.

For **Acty System India Private Limited**

A handwritten signature in black ink, appearing to be 'MKR', with a long horizontal stroke extending to the right.

Krishnamoorthy Raman
Director
DIN: 01936067