



CORPORATE SOCIAL RESPONSIBILITY POLICY

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Real progress occurs when privileges are balanced with the responsibilities towards society. Ospyn Technologies Limited has always laid emphasis on progress with a social commitment. We strongly believe in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle, the company has developed a comprehensive approach towards promoting welfare and sustainable development of the society.

(1) CSR Objective:

The CSR policy intends to:

Endeavor for social upliftment and environmental sustainability that positively impacts the society at large with the focus on the activities mainly of eradicating hunger, poverty, malnutrition, creating awareness towards education, women empowerment and promoting healthcare activities and such other activities as may be deemed appropriate by the Board or CSR Committee to be taken up by the Company. The objective of the company's CSR Policy is to frame guiding principles for identifying, execution and monitoring of CSR activities, its review from time to time, taking necessary corrective actions and reporting of the CSR activities to CSR Committee/Board of Directors.

(2) Definitions:

In this Policy, unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the rules made thereunder, including any modification, amendments or re-enactment thereof.

"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.

"Board" means the Board of Directors of the Company.

"Company" means Ospyn Technologies Limited.

"CSR Committee" shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors.

"CSR Expenditure" means all CSR Expenditure of the Company as approved by the Board upon recommendation of the CSR Committee.

"CSR Policy" shall mean the present Corporate Social Responsibility Policy of the Company, as amended from time to time which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.

"CSR Projects" or "Projects" means Corporate Social Responsibility Projects / activities / programs / initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as

per the declared CSR Policy of the Company.

“Implementing Agency” means an implementing agency as mentioned in the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall mean:

In case it is established by the company either singly or jointly with other company, a Section 8 company or a registered public trust or a registered public society established by the company either singly or jointly with other company, and registered under section 12A and 80G of the Income Tax Act, 1961;

In case of agency established by a Third party, it can be through a Section 8 company or a registered public trust or a registered public society and registered under section 12A and 80G of the Income Tax Act, 1961 and should have a track record of at least three years in undertaking similar activities.

“Ongoing Project” means a multi-year project undertaken by a Company in fulfillment 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;

“Financial Year” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

“Net profit” shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.

“Rules” shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

“Trust” means a Trust created and registered under the India Trust Act, 1882 or any Trust created and registered with charitable objectives by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group companies.

Words and expression used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

(3) CSR activities:

CSR activities may be implemented by the Company:

- a. on its own and/or
- b. through a Trust formed by the promoters of the Company and/or
- c. Through an external trust or any another NGO or agency conducting CSR activities in synchronization with CSR Policy of the Company.

In case of activities implemented through external Trust/NGOs or any other similar agency, it should have track record of at least three years in undertaking similar programs or projects.

The Company shall primarily strive for nearby areas where the unit(s) of the Company is situated, for carrying out the CSR activities. The Board or CSR Committee may decide such other additional places for implementing the CSR activities.

The CSR activities of the Company will be implemented in accordance with the following core values:

- Proactively engage with the relevant stakeholders, understand their concerns and be responsive to their needs.
- Use and promote systematic processes to engage with the stakeholders and endeavor to address their issues in just, fair and equitable manner.
- Channelizing resources and efforts towards making positive and sustainable contribution in social and economic development.
- Aligning CSR practices and programs to complement and support the developmental priorities at local, state and national levels.

The activities to be undertaken by the Company as CSR activities shall be the projects/programs relating to the activities/subjects specified and enumerated in Schedule VII of the Companies Act, 2013 or any amendment thereto or modification thereof. However, at present, it proposes to undertake the relevant activities on priority basis in following areas:

(i) 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;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) 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;

(iv) 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 setup by the Central Government for rejuvenation of river Ganga;

(v) 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 arts and handicrafts;

(vi) measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central 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, the Schedule Tribes, other backward classes, minorities and women;

(ix) (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).

(x) Rural Development Projects

(xi) Slum area development

(xii) Disaster management, including relief, rehabilitation and reconstruction activities

(xiii) Any other activity which the Board/Committee may deem appropriate as per Section 135 and rules made thereunder and from any other modification from time to time.

(4) CSR Committee and its responsibility:

- i. To formulate and recommend to the Board a Corporate Social responsibility Policy, which shall be placed before the Board for its approval
 - ii. To 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 programmes and projects that are to be approved to be approved and undertaken in areas or subjects specified in Schedule VII of the Act,
 - The manner of execution of such projects or programmes as specified in Rule 4(1) of CSR Rules,
 - The modalities of utilisation of funds and implementation schedules for the projects or programmes
 - Monitoring and reporting mechanism for the projects and programmes, and
 - iii. To review and recommend the amount of expenditure to be incurred on activities referred herein above
 - iv. To monitor the CSR Policy of the company from time to time
- Any other matter as CSR Committee may deem appropriate after obtaining approval of the Board or as may be directed by the Board from time to time.

(5) Monitoring and Review of CSR projects/activities:

All CSR activities shall be monitored by the Board/CSR Committee on regular interval basis. The Review discussions shall be held among the Board/Committee members and/CSR execution team and other participants for further improvement. Feedback will be obtained from the local representatives to ensure that benefits of such activities should reach to the local community, the same will also be measured against targets and budgets and wherever necessary, midcourse corrections will be affected.

(6) Policy documents to be referred for implementation of CSR activities.

(a) CSR policy of Ospyn Technologies Limited

(b) Provisions of the Companies Act, 2013 relating to CSR and rules made there under.

(c) Any subsequent notification / circular / amendments / modification / revision / addendum to the aforesaid acts and rules issued by the Ministry of Corporate Affairs, Govt. of India.

(7) The terms of reference and responsibilities of Board of Directors will be as under:

Board of Directors:

The Board shall include in Annual Report a report on the CSR Projects, if any.

The Board shall satisfy itself that the funds have been utilised for the purposes as per the CSR policy and in the manner as approved by it.

In case of ongoing project, the Board shall ensure Board/CSR Committee monitors the implementation of the project with reference to the approved 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 period.

I. CSR Spend / Expenditure:

The Company shall spend at least 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years in accordance with the Companies Act, 2013 and the Rules and the CSR Policy, however the same shall not be restricted by the statutory limit of a specified percentage of its average net profits of the three immediately preceding Financial Years.

The CSR Committee 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 along with the CSR Committee responsible for taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group for application towards the CSR Activities.

Any surplus arising out of the contribution made for CSR activities shall not form part of the business profit of the Company and redeployed for such activities.

In case the Company fails to spend the statutory minimum limit of 2% of the Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reason for the same in its report in terms of clause (o) of sub section(3) of section 134 of the Act and in addition such shortfall shall be treated as mentioned below:

a. Unspent amount not relating to ongoing project:

If there is an unspent amount with the Company which was required to be spend under CSR but could not be spent by the Company and which is not pertaining to the ongoing projects then such amount is required to be transferred to the fund specified in Schedule VII of the

Companies Act, 2013 within a period of 6 months from the end of relevant financial year.

b. Unspent amount relating to ongoing project:

In case there is an unspent amount relating to ongoing project then such unspent amount is required to be transferred within a period of thirty days from the end of relevant financial year to a special account to be opened by the Company with Scheduled commercial bank to be called "Unspent CSR Account".

The shortfall if any in spending towards CSR as per the statutory limit mentioned under relevant provisions of the Companies Act, 2013 shall be treated as per the Act and Rules as may be amended from time to time.

II. Implementation:

Mode of implementation of CSR Activities:

a. Direct spending:

The Company may on its own spent the amount under CSR Projects /activities presently within the scope and ambit as defined in Schedule VII of the Companies Act, 2013 as amended from time to time or in collaboration with other companies / trusts / NGOs undertaking projects/ programs in CSR activities.

b. Through Implementing Agencies / Indirect Spending:

The Company may spend the amount under CSR projects / activities through any implementing Agency, having a unique CSR Registration Number (with effect from 1 April 2021), subject to the condition that the implementing agency shall be:

1. Company established under section 8 of 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;
2. It should get itself registered with MCA by filing requisite form;
3. The activities pursued by the implementing Agency are covered within the activities covered under Schedule VII of the Companies Act, 2013 as amended from time to time;

The time period/duration of each project/program shall depend on its nature, extend of coverage and intended impact of such activity.

Board/CSR Committee may form CSR execution team / small group of employees for carrying out CSR related activities under its supervision as and when the need arises.

The CSR Committee will spend funds on the CSR activities or programme or projects as may be approved by the CSR Committee and/ by the Board of Directors and/or donate funds to the Trust and other welfare trusts or NGOs operational in the CSR activities as specified by the Companies Act, 2013 and rules made there under.

III. Monitoring and Review of CSR projects/activities:

Every year the CSR Committee will place before the Board for its approval, a CSR Annual action Plan delineating the CSR Programmes to be carried out during the financial year

and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.

In the events where the CSR activity is carried out through any implementing agency then the details of amount spent by such implementing agency towards CSR Activities and other relevant information shall be obtained by CSR Committee members or any official of the Company to whom the Chairman of CSR committee may delegate the responsibility and such details shall be made available to the CSR committee which in turn will forward the same to the Board for its review and noting purpose.

The Board/committee will review the implementation of the CSR Programmes during regular intervals and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.

(8) General:

(a) The company reserves the right to modify, cancel, add or amend any of the above activities/rules/guidelines within the broad parameters of the provisions of Companies Act, 2013 and rules made there under.

(b) In case of any doubt with regard to any of the provisions of the policy and also in respect of any matters not covered therein, the interpretation and decision of the Chairman of the CSR Committee/ Board of Directors shall be final.

(9) Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

(10) Effective Date:

This policy is effective from **02.09.2024** and may be amended by the Board as required from time to time.
