

CORPORATE SOCIAL RESPONSIBILITY POLICY
CRITICALLOG INDIA PRIVATE LIMITED

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FOREWORD

Corporate Social Responsibility (“CSR”) in India has been typically related to philanthropic activities which are undertaken but have never been obligatory. In India, the practice of CSR still remains within the confined philanthropic space, but it has spread across different areas of activities such as developing institutional building (educational, research and cultural) to community development through various projects.

The Companies Act, 2013 (“Act”) has introduced the idea of CSR to the forefront and also promoted greater transparency and disclosure in the same.

The management of the Company has therefore decided to bring together its existing operating principles into one framework policy under the heading of CSR Policy. The principles encompassed in this CSR Policy shall cover all areas of the Company’s operations and have been developed and continue to be reviewed against and updated by reference to relevant codes of corporate governance as provided under the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Rules”). The Board of Directors of the Company support the principles set out in this CSR Policy and aim to translate that support into a set of guidelines that set a common approach for the Company and provide practical guidance for our managers and employees. This CSR Policy provides general guidelines as to how CSR shall be complied with by the Company.





CSR POLICY

1. INTRODUCTION

At CriticalLog India Private Limited ("Company"), CSR has been an integral part of the Company in the way we operate our business since inception. The Company has always been serious towards its commitment for the betterment of the society and has always supported causes, which would improve the condition of education, healthcare, eradication of hunger, conservation of natural resources etc.

2. OBJECTIVE AND PURPOSE

The objective of the Policy is:

- i. to lay down guidelines to make CSR an integral part of the Company's business operations;
- ii. to undertake projects and programs that will enhance the quality of life and promote education and economic well-being of the under privileged sections of the society;
- iii. to generate awareness, goodwill and recognition among all stakeholders of the Company;
- iv. to serve as a guiding document to help identify, execute and monitor the CSR Projects keeping with the spirit of the Policy;
- v. to function as a self-regulating mechanism for all CSR Projects and enable adherence to laws, ethical standards, and international practices in this regard.

The purpose of this CSR Policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR Policy applies throughout all of the procurement service and governs our approach to all our activities. In implementing this Policy, we aim to be responsible and be an exemplar of good practice.

3. COMPANY COMMITMENT

The Company is committed to:

- i. Continuous improvement in its CSR strategy;
- ii. Encourage its business partners to strive for matching performance and act in a socially responsible way;





- iii. Continue to improve its performance and meeting all relevant legislations; and
- iv. Encourage staff to be mindful of the effect of their actions on any natural resource.

4. CSR MAINSTAY

The Company may implement its CSR activities through the following methods:

- i. Directly on its own;
- ii. Through permitted governmental routes, including but not limited to contribution to the Prime Minister's National Relief Fund;
- iii. Through its own non-profit foundation which may be set - up so as to facilitate this CSR initiative;
- iv. Through independently registered Non-Profit Organizations ('NPO') or Non-Government Organizations ('NGO') that have an established track record of at least three years in similar and related activities; and
- v. Collaborating or pooling their resources with other companies.

5. CSR PROJECTS, PROGRAMS, ACTIVITIES AND MODALITIES OF EXECUTION

The scope of CSR activities of the Company will cover the following areas, but not be limited to the same and may extend to other specific projects/ programs as per Schedule VII of the Act, from time to time.

- 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, agro forestry, 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. Measures for the benefit of armed forces veterans, war widows and their dependents.
 - vii. Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports.
 - viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
 - ix. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) 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.

The Company will review the sectors from time to time and make additions/deletions/ clarifications to the above sectors, provided that the activities undertaken by the Company are subject to Schedule VII of the Act.

6. MODALITIES OF EXECUTION

The Company shall decide the proposed CSR projects, programs, activities from the aforesaid list of activities and shall implement the same either by themselves or through independently registered NPO, NGO, Section 8 Companies (companies with charitable objects), registered society, trusts that have an established track record of at least three years in similar such related activities.





In such circumstances where the Company shall opt for an independently registered NPO, NGO, Section 8 Companies (companies with charitable objects), registered society, trusts, then the Company shall follow the following modality for execution of CSR activity:

- i. Identify and choose a suitable organization or trust that have an established track record of at least three years in similar such related activities;
- ii. Donate to the chosen organization or trust the requisite amount, as decided by the Company, to implement the proposed CSR activity;
- iii. Discuss and finalise the ways to implement the CSR activity; and
- iv. Ensure that the aforesaid organization or the trust implements the proposed CSR activity and provide the Company the detailed progress/ report of the CSR activity undertaken by them.

7. EXCLUSION FROM CSR

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

- i. The activities undertaken in pursuance of normal course of business of a Company;
- ii. CSR projects/ programs or activities that benefit only the employees of the Company and their families;
- iii. Any contribution directly/ indirectly to political party or any funds directed towards political parties or political causes under Section 182 of the Act; and
- iv. Any CSR projects/ programs or activities undertaken outside India.

8. CSR BUDGET/ EXPENDITURE

Under the provisions of Section 135 of the Act, the Company is required to spend at least 2 % of the average net profits (before tax) of the three immediately preceding financial years on CSR activities that fall under the purview of Schedule VII of the Act.

8.1 CSR EXPENDITURE:

The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.





8.2 EXPENDITURE ON CSR CAPABILITIES:

The Company may build CSR capabilities of their own personnel as well as of their implementing agencies and such expenditure shall not exceed 5% of the total CSR spend of the Company as stated in the Rules.

8.3 FAILURE TO SPEND THE CSR MONEY

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 able to spend the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular financial year. The Company shall also ensure that any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

Further, the Company shall also ensure compliance with any and all amendments, notifications, etc., that the Company is required to follow under the provisions of the Act and Rules in case the Company is not able to spend the prescribed amount of CSR expenditure.

9. CSR COMMITTEE

CSR Committee shall be formed as per the applicable laws and the committee/s shall be responsible for the implementation/ monitoring and review of this Policy and various projects/ activities undertaken under the Policy. The CSR Committee shall submit periodical reports to the Board of Directors.

9.1 CONSTITUTION

Subject to the provisions of Section 135 of the Act, the Board of Directors shall constitute the CSR Committee. The members of CSR shall be appointed by the Board of Directors of the Company, which must consist of atleast two (2) directors and as decided by the Board of Directors in accordance with the Articles of Association (AoA) of the Company.

9.2 POWERS OF THE CSR COMMITTEE

Following are the powers of the CSR Committee:

- i. Formulate CSR Policy;





- ii. Recommend the CSR Policy to the Board of Directors of the Company for approval;
- iii. Recommend CSR activities which are listed as under Schedule VII of the Act;
- iv. Approve to undertake Company's CSR activities in collaboration with other Companies/ firms/ NGOs, etc. and to separately report the same in accordance with the CSR Rules;
- v. Recommend the CSR budget;
- vi. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- vii. Create transparent monitoring mechanism for implementation of CSR Initiatives in India;
- viii. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- ix. Monitor CSR Policy from time to time;
- x. Monitor activities and ensure that the CSR activities of the Company are implemented effectively;
- xi. Authorize executives of the Company to attend the CSR Committee Meetings; and
- xii. Appoint, terminate and otherwise manage personnel for implementation and monitoring and related work with respect to the CSR Policy, Plan and recommendation of the CSR Committee ("CSR Executives").

9.3 FREQUENCY OF CSR COMMITTEE MEETINGS

The meeting of the CSR Committee shall be held as and whenever deemed fit by the CSR Committee in compliance with the applicable law. The time and place of the said meetings shall be decided by the members of the CSR Committee. The quorum for the meeting shall be at least two (2) members and as decided by the Board of Directors in accordance with the Articles of Association (AoA) of the Company. 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 Act and Rules made thereunder from time to time. Minutes of the CSR Committee shall be placed before the Board for noting.

9.4 CSR INITIATIVES

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended at the beginning of each financial year by the CSR Committee. The Committee is





authorised to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

9.5 ANNUAL CSR PLAN

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before Board of Directors of the Company after the recommendation of its CSR Committee which outlines the following aspects of CSR initiatives of the Company:

- i. CSR Projects
- ii. Partnering agencies/ companies/ firms
- iii. Project Proposals
- iv. Beneficiaries of the Project and their needs
- v. Alignment with Schedule VII of the Act
- vi. Project analysis
- vii. Activities and the timelines for each activity
- viii. CSR Budget
- ix. Monitoring mechanism
- x. Progress reporting and frequency of reports
- xi. Any other information as may be required by the CSR Committee

10. MONITORING AND REPORTING

The CSR Committee will be responsible for the monitoring CSR activities and reporting to the Board from time to time.

The CSR Committee has the powers to:

- i. Seek monitoring and implementation report from the organizations who have received funds from the Company with respect to implementation of CSR activities.
- ii. Appoint a Company official to co-ordinate with the organization receiving funds from the Company, to inspect the activities undertaken by the organization and provide the required information in a timely manner.

For monitoring the CSR activities following process shall be followed:

- (a) The activities and budgets for CSR will be presented in detail to the CSR Committee. Further, the CSR Committee may empower an authorised person to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as





above shall be put up for ratification before the Committee at its meeting and shall be reported to the Board accordingly.

(b) Continuous Monitoring

- CSR Committee shall receive a quarterly report of CSR spend;
- CSR Executives shall make presentation to the CSR Committee on the progress of the CSR projects/ activities; and
- There will be an annual presentation by CSR Executives to the CSR Committee which will include the details of the future of planned projects for the upcoming year and its respective budgets.

The Board of Directors shall review the implementation of CSR every six months. The CSR Committee shall prepare reports that are required to be placed before the Board as per the format prescribed under the CSR Rules stated hereunder:

(1) Sl.No	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) local area or other (2) Specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs (Sub-heads): (1) Direct Expenditure on projects and programs (2) Overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
1.							
2.							
	TOTAL						

11. DISCLOSURES

The Annual Report of the Company shall include a report on CSR Policy, CSR Committee, CSR initiatives undertaken by the Company, CSR spend during the financial year and other information as required by the prevailing law.

12. SUPERVISION

The CSR Projects will be driven by a dedicated CSR team under the guidance and support of senior officials. The CSR Committee would play a significant role in





ensuring that the CSR Policy is embedded across the Company's operations and the CSR Projects are in line with the Policy.

13. EFFECTIVE DATE

The Policy is effective from 20th December 2019. The Policy may be amended from time to time in line with the applicable law.

14. PUBLICATION OF CSR POLICY

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

15. CONTACT FOR ENQUIRIES

For enquiries related to the Company's CSR Project, kindly contact Mr. Sujoy Guha, Director at sujoy.guha@criticallog.com

IN VIEW OF THE ABOVE, HENCEFORTH THIS POLICY SHALL FORM PART AND PARCEL OF THE COMPANY'S RULES AND REGULATIONS AS A GOOD CORPORATE PRACTICE THE TERMS OF THIS POLICY SHALL MUTATIS MUTANDIS APPLY TO ALL THE EMPLOYEES AT PAR.

