



Corporate Social Responsibility (CSR) Policy

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1. CONTEXT AND APPLICABILITY

Atyati Technologies Private Limited ('ATYATI') envisions to solve the challenge of reaching the unreached with technology and distribution expertise in a transparent, efficient and an effective manner and to help businesses across the world reach their products and services to the last mile by providing top of class innovative, cost effective technology enabled solutions.

Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth.

In pursuance of this vision, ATYATI desires to be a 'Company which society wants to exist, it is dedicated towards fulfilling the social objectives through various Corporate Social Responsibility (CSR) activities. The Company shall make its endeavor to positively impact and influence the Society for its sustainable development.

The Company's focus has always been to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations.

This document describes the Corporate Social Responsibility Policy ("CSR policy") of ATYATI. The CSR policy has been formulated in accordance with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the relevant amendments/notifications/circulars for the time being in force. The CSR policy shall apply to all CSR programs/activities undertaken by ATYATI either directly or through any implementing agency.

2. OBJECTIVES

The CSR Policy, inter alia, intends to:

- Strive for economic development that positively impacts the society at large with minimal resource foot print;
- Reach out to under-privileged and under-served communities to address the fundamental challenges of the society; and
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition and environment.

ATYATI shall focus in the areas which are aligned to Schedule VII of the Companies Act, 2013.

The Company's CSR Policy shall contain the approach and direction given by the Board, considering the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan.

Words and expressions used in this CSR policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

3. FOCUS AREAS ON SELECTION OF CSR ACTIVITIES

In accordance with the requirements under the Companies Act, 2013, ATYATI's CSR activities, amongst others, will be based on society needs. The CSR committee will decide on the locations for CSR activities. However, ATYATI will give preference to the local areas around its operations for spending the amount earmarked for CSR activities.

The focus will be on the following CSR activities:

- **HUNGER, POVERTY, MALNUTRITION AND HEALTH:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- **EDUCATION:** Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **RURAL DEVELOPMENT PROJECTS:** Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.
- **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **ENVIRONMENTAL SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.
- **NATIONAL HERITAGE, ART AND CULTURE:** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.

The above CSR activities are illustrative and not exhaustive. ATYATI may undertake any other activity as prescribed in Schedule VII to the Companies Act, 2013. Further programs and/or activities can be identified through review, evaluation, and assessment by the CSR Committee from time to time.

Projects should be designed for creating a long-term impact on the society and will be designed with clear objectives, planned outcomes and a suitable monitoring and reporting framework. All projects will be periodically reviewed for course correction, wherever necessary.

There should be due consideration of any material risk factors before selecting, initiating and during implementation of projects. These risks should be duly mitigated and managed on a regular basis.

4. IMPLEMENTATION OF CSR ACTIVITIES

ATYATI has checked the local credibility, local knowledge, and domain expertise of 'Bagri Foundation India', a company incorporated under Section 8 of the Companies Act, 2013 and registered under Section 12A and Section 80G of the Income Tax Act, 1961, and having an established track record of more than three years in undertaking similar activities as mentioned in the CSR policy of the Company.

After analyzing all the required factors, ATYATI has decided to undertake its CSR activities through 'Bagri Foundation India' who will act as the Implementing agency of the Company. ATYATI may also undertake its CSR activities through such other entity/organization as approved by the CSR Committee and/or independently.

The following are the Guiding Principles for implementation of its CSR Activities:

- a. Collaborating with Bagri Foundation India for undertaking projects or programs or CSR activities in such a manner that the CSR committee is in a position to report separately on such projects or programs in accordance with the Companies (CSR Policy) Rules, 2014.
- b. Formalizing an Agreement with Bagri Foundation India including important aspects like implementation of CSR activities, treatment of unspent amounts, if any, etc., considering that it is the responsibility of the Company to ensure utilization of CSR funds.

EXCLUSIONS:

Following activities shall be excluded from the CSR expenditure of ATYATI:

- Activities which are exclusively for the benefit of employees of the company and their family members as defined in clause (k) of Section 2 of the Code on Wages, 2019, as and when notified;
- Activities undertaken in pursuance of normal course of business of the Company;
- Direct or indirect contribution to political parties under Section 182 of the Companies Act, 2013;
- Expenditure on item/s not in conformity with Schedule VII of the Companies Act 2013;
- Surplus arising out of CSR projects shall not form part of the business profits of Company instead the same will be further used for CSR purposes only;
- Any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- Activities carried out for fulfillment of any other statutory obligations under any law in force in India;

5. COMPOSITION OF CSR COMMITTEE

The Company has constituted Corporate Social Responsibility Committee (“CSR Committee”) comprising of following three Directors of the Company:

1. Mr. Prakash R. Prabhu : CEO and Director
2. Mr. Rajan Mittal : Director
3. Mr. Prasad G. Desai : Director

The Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee. The composition of CSR Committee shall be disclosed in the Board of Directors’ Report of the Company.

6. RESPONSIBILITIES OF THE COMMITTEE

The responsibilities of the CSR Committee include:

- Formulating and recommending to the Board of Directors, the CSR Policy and indicating CSR activities to be undertaken by the Company
- It shall formulate and recommend an Annual Action Plan in pursuance of the CSR policy to the Board of Directors

- Recommending the amount of expenditure for the CSR activities
- Review and approve annual budgets with respect to CSR programs
- Implementing and monitoring CSR Policy and activities of the Company from time to time
- Develop and institutionalize a CSR reporting mechanism
- Appoint an external third party to monitor/review/ audit the progress (financial and programmatic) of the CSR projects, as and when required

The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year. CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR focus areas and shall ensure that the administrative overheads shall not exceed 5% of the total CSR expenditure of the Company for the financial year.

The CSR Committee shall meet at least once in a financial year. The meeting shall be held either at the registered office of the company or any other place or through video-conferencing or other audio-visual means, as may be decided by the members.

Presence of a minimum of two members of the Committee shall constitute the quorum.

7. ANNUAL ACTION PLAN

The Company shall prepare an Annual Action plan to identify the activities and the CSR expenditure to be spent during the year which shall, inter alia, include the details as mentioned below:

- a. List of CSR projects or programs in pursuance of and consistent with this Policy;
- b. Manner of execution of such projects or programs;
- c. Modalities of utilization of funds and implementation schedules for the projects or programs;
- d. Monitoring and reporting mechanism for the projects or programs; and
- e. Details of need and impact assessment, if any, for the projects or programs

The CSR Committee shall formulate and recommend to the Board, an annual action plan (beginning with the Financial Year 2021-22) for each financial year in pursuance of its CSR policy.

Provided that Board 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.

Further, the guiding principles required to formulate the Annual Action Plan are as follows:

- a. CSR programs shall not include activities as restricted under the amended Companies (CSR Policy) Rules;
- b. The preference for CSR programs will be given to the local areas and areas around its operations;
- c. The CSR activities will be carried out directly or through the implementing agency

- d. Action plan shall be action-oriented, measurable, relevant and time-bound.

8. GOVERNANCE

The Company itself or through implementing agency can undertake CSR activities as per the provisions of the Companies Act, 2013. Accordingly, Bagri Foundation India or such other implementing agency will –

- a. Assist ATYATI in identifying the areas of CSR activities, programs and execution of initiatives in parlance to this policy
- b. Work closely with and support ATYATI in implementing CSR activities
- c. Assist the Board and the CSR Committee in reporting the progress of deployed initiatives and in making appropriate disclosures (internal/external) on a periodic basis.

9. MONITORING OF CSR ACTIVITIES

The Company's Board of Directors shall be responsible for monitoring the CSR activities of the company, review of CSR Policy and implementation of the same in the due course of time.

The guiding principles for monitoring its CSR Activities are as follows:

- The CSR committee members shall periodically review the financial and programmatic progress of CSR projects.
- All CSR projects undertaken shall be monitored on a periodic basis. On-site monitoring would also be undertaken at least once a year to ensure on-track implementation.
- The CSR committee members shall be empowered to appoint an external third party to monitor / review / audit the progress (financial and programmatic) of the CSR projects.
- To ensure that the CSR Committee has in records proper acknowledgements of the amount transferred to the implementing agency for CSR activities along with the expenditure proof given by the implementing agency for expenditure made onwards towards the approved CSR activities of the Company.
- In case of ongoing project(s), the Board shall monitor 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.
- The Board of the company 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 expenditure made by the company shall be annexed to the Director's report by way of an annual report on CSR containing details as per the applicable CSR Rules.

10. AMENDMENT

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the Policy shall be approved by the Board of Directors.

In the event of any conflict between the provisions of this Policy and of the Companies Act, 2013 and rules made thereunder or any other statutory enactments, rules, the provisions of such Act and rules or statutory enactments shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

11. EFFECTIVE DATE

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

12. CONTACT

For queries related to the CSR Policy, please write to us at secretarial@atyati.com.