



protean

**CORPORATE SOCIAL
RESPONSIBILITY POLICY**

Protean eGov Technologies Limited

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1. Policy Statement

Background

Protean eGov Technologies Limited (Protean) is a national level company and is strongly committed towards Corporate Social Responsibility (CSR). The Company has been contributing to various socially useful projects run by some social organizations (NGOs and Trusts) comprising areas like providing medical facilities to economically weaker section of the society, working towards upliftment of women and girl child, providing shelter to destitute children, providing financial assistance to children from weaker section of society for continuation of education, etc. The Companies Act, 2013 and Rules notified thereunder by the Ministry of Corporate Affairs, Government of India provide for detailed framework for CSR to be implemented by companies belonging to specified class. These provisions inter-alia require mandatory contribution of specified percentage of the profits of the company every year towards CSR, list out the activities which could be considered forming part of CSR initiatives, formation of CSR Committee by the Board and specifies the roles and responsibilities of the said CSR Committee.

Policy Statement

The Board of Protean, in order to have a structured approach towards CSR, has decided to formulate CSR Policy. Accordingly, a CSR Policy (“the Policy”) has been formulated with a view to provide a mechanism for meeting the social responsibility of the company in an effective manner to provide optimum benefits to various deserving sections of the society.

This policy in relation to the Corporate Social Responsibility ("CSR") of Protean eGov Technologies Limited is titled as the "CSR Policy" and shall include any alterations, amendments or modifications hereto from time to time.

CSR Policy will include approach and direction given by the board of company, taking into account

- the recommendations of its CSR Committee;
- guiding principles for selection, implementation and monitoring of activities;
- formulation of the annual action plan.

This policy comes into force with effect from April 1, 2014.

2. Vision and Mission Statement and Applicability

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or CSR initiatives by the company. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and the rules issued thereunder as amended from time to time.

Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, in the event that the Company fails to meet the thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to constitute/maintain the CSR Committee and comply with the provisions of this CSR Policy till such time as it again meets the criteria specified in Section 135(1) of the Act.

3. DEFINITION AND INTERPRETATION

- **"Board"** means the Board of Directors of the Company.
- **"Company"** means Protean eGov Technologies Limited.
- **Corporate Social Responsibility**

The Company shall comply with the provisions of the Companies Act, 2013 including any amendment or re-enactment thereof and Rules framed thereunder pertaining to Corporate Social Responsibility including projects or programs relating to activities specified in Schedule VII of the said Act as may be specified in this Policy and approved by the Board of Directors.

- **"CSR Activities"** means such programs and projects as may be approved by the Board in terms of this CSR Policy.
- **"CSR Committee"** means a committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.
- **"CSR Rules"** means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- **"CSR Expenditure"** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.
- **"Director"** means a member of the Board of the Company.
- **"Implementing Agency"** means
 - (i) A Trust, or a Society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act or otherwise; and/ or
 - (ii) A Trust, or a Society or a company established under section 8 of the Act with a established track record of three years in undertaking similar programs or projects;

The CSR Activities may be undertaken by the Company directly with the prior approval of the Board or through implementation agencies / entities mentioned at (i) and (ii) above.
- **"Net Profits"** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act.
- **"Society"** means a society registered under the Societies Registration Act, 1860 or any other applicable law in India.
- **"Trust"** means a public charitable trust registered under the Indian Trusts Act, 1882 or any other applicable law in India.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

4. CSR Committee

4.1 The Board of Directors of the Company shall constitute a CSR Committee with at least one independent director.

4.1.1 The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules. Without prejudice to the generality of the foregoing, the CSR Committee shall be responsible for the following activities:

- i) Formulating and recommending CSR activities to the board of directors;
- ii) Recommend amount of expenditure;
- iii) Monitor CSR policy of the company; and
- iv) Formulate annual action plan in pursuance of the CSR policy in accordance

with the applicable law, and inclusive of the following items:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the company.

4.2 The CSR Committee shall consist of at least three directors of the Company and at least one independent Director. The number of members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

4.3 The CSR Committee shall hold meetings which shall be attended by minimum of two members of the Committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.

All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee for their inputs and the final decision/determination/interpretation shall rest with the Board.

No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

5. CSR Activities

5.1 Following CSR activities can be undertaken by the Company as mentioned in Schedule VII of the Companies Act, 2013 and in terms of the CSR Rules issued by the MCA in 2014 (including the modifications and amendments thereto) ,the Company will be focusing on undertaking the project /programs /activities listed below, as specified in Schedule VII to the Act excluding activities undertaken in pursuance of normal course of business of a Company

- (i) Eradicating hunger, poverty and malnutrition, “promoting health care including preventive health care” and sanitation including contribution to the Swachh 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 set-up 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 art 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, Paralympic sports and Olympic sports

(viii) 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;

(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.

Explanation.- For the purposes of this item, 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.

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

(xiii) Any other activity incidental to the above activities.

5.2 The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.

a) Based on the scope of activities set out in Schedule VII mentioned above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.

b) The Board shall ensure that appropriate designated staff or personnel provide adequate assistance to the CSR Committee to enable it to make necessary recommendations to the Board.

c) For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

d) The details of any CSR Activities to be undertaken by the Company shall be presented to the Board by the CSR Committee along with its recommendations

e) In case any of the CSR Activities to be undertaken are anticipated to be long term i.e. an ongoing project being of a term of 3 (three) years excluding the financial year in which it was commenced, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.

f) Based on the recommendations of the CSR Committee, the Board shall approve the CSR activities of the Company for a given financial year.

5.2 Generally, such proposals for contribution shall be considered for which funds/contributions are not easily attracted.

5.3 The Board of Directors may decide to undertake the CSR activities through a registered trust

or a registered society or a separate company established by the company or otherwise provided that if such trust, society or company is not established by the company, it shall have an established track record of three years in undertaking such programs or projects and the company has specified the project programs to be undertaken through these entities viz. Implementing Agencies , the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

5.3 The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs.

5.4 The CSR projects or programs or activities shall be undertaken by the company only in India.

5.5 Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profits of the company and shall be spent on CSR activities.

5.6 Company may build CSR capacities of its own personnel as well as those of its Implementing agencies through Institutions with established track records of at least three financial years but such expenditure, including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the company in one financial year.

6. Reporting and Monitoring and Record keeping

6.1 All CSR projects or programs or activities undertaken by the company shall be subjected to periodic reporting of the progress thereof.

6.2 Impact analysis / evaluation by an external agency of the activities for which contributions are made shall be undertaken as per the Provisions of the Companies Act 2013 and the CSR Rules 2014 each amended from time to time. Impact assessment expenditure for a financial year shall not exceed five percent of the total CSR expenditure.

- 6.3 CSR Committee shall monitor and evaluate the progress of the projects on yearly basis or in such other manner as may be decided by the CSR Committee.
- 6.4 The Committee and Board shall be responsible to satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it. monitor the implementation of the project with reference to the approved timelines and year-wise allocation. , to make modifications, if any, for smooth implementation of the project within the overall permissible time period. The CFO or the person responsible for financial management shall certify to the effect.
- 6.5 The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy which will include list of CSR Projects approved, Manner of execution; modalities of utilization of funds and implementation schedules; monitoring and reporting mechanism . If deemed necessary, on recommendation of CSR Committee Annual Action Plan may be altered by the Board
- 6.6 To ensure that the objectives of CSR Policy are being met in an efficient and effective manner, the utilisation of the amount sanctioned towards CSR Activities to the various implementation agencies and progress on such CSR Activity should be reported by the CSR Cell to the Board as well the CSR Committee on a quarterly basis in such manner as the CSR Committee may direct. For the purposes of monitoring, the Implementation Group may visit the Implementation Agency site to review CSR project and carry out inspections as recommended by the CSR Committee from time to time.
- 6.7 Upon receipt of such progress report, the CSR Committee may review and deliberate upon such reports and provide such inputs or recommendations, as it may deem necessary, to the Board.
- 6.8 The CSR Committee shall maintain proper minutes of all its meetings.

7. Disclosure

The Board's report of the company pertaining to a financial year commencing on or after April 1, 2014 shall include a report on CSR containing particulars as specified in the Companies Act 2013 and CSR Rules framed thereunder as amended from time to time and shall also be disclosed on the website of the Company.

The details of projects approved by the Board, Impact assessment as applicable, amount available for Setoff if any , amount spent against ongoing project/other than ongoing project, administrative overhead, unspent amount against ongoing project/other than ongoing project, details regarding capital assets shall form a part of the CSR Report of the company.

8. Amendment

Any amendment to this Policy shall be subject to the prior approval of the Board upon recommendation of the CSR Committee.