

CIGNITI TECHNOLOGIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

❖ Introduction

Cigniti Technologies Limited (“**the Company**”) endeavours to conduct its business in an economically, socially and environmentally sustainable manner that is transparent and ethical, and by adopting appropriate business processes and strategies for the benefit and development of the society. Discovering once again the social responsibility of developing economic, social and environmental capital towards sustainability, Cigniti crafted CSR projects in achieving the mission. The Company is committed to undertake activities in accordance with the provisions of Section 135 of the Companies Act, 2013 and related Rules, as amended from time to time (“**Act**”), to fulfil its responsibilities as a corporate citizen.

Cigniti believes and strives hard in sustainable development of society in which the enterprise draws economic and natural resources by enriching its capacity in contributing to the significant positive change in the economy. This policy is designed to discharge the Company’s responsibility as a corporate citizen and to lay down the guidelines and mechanism for carrying out socially useful activities / projects and programs for welfare & sustainable development of community at large. The terms, rules and regulations mentioned in this policy are as per the Companies Act, 2013 and rules made thereunder

❖ CSR Vision

To actively contribute to the social and economic development of the communities in which we operate through our services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of our role as a responsible corporate.

❖ Policy Objective

The objective of the Corporate Social Responsibility (“**CSR**”) Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

❖ DEFINITIONS: •

- **Board** means Board of Directors of the Company.
- **CSR** means and includes but is not limited to:-
 - (i) Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
 - (ii) Projects or programs relating to activities undertaken by the Company in pursuance of the recommendations of the CSR Committee and approved by the Board as per this policy.
- **Net Profit** means the net profit of the Company as per the financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely:- i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise, and

- **CSR Committee:** means the Corporate Social Responsibility Committee constituted by the Board of Directors of the Company pursuant to Section 135 of the Act.
- **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfilment 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;

❖ Role of the Committee

The Committee shall carry out of the following functions:

- a) 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
- b) formulate annual action plan in pursuance of the CSR policy in accordance with applicable law, including:
 - the list of CSR projects or programmes that are approved
 - 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
- c) Any other functions as may be delegated and/or assigned by the Board from time to time.

❖ CSR Activities

The Company shall undertake CSR activities in accordance with the activities specified under the Act and any amendments thereof as under:

- (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 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 art 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)

- (vii) veterans, and their dependents including widows; 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 Government for socio economic development and relief and welfare of the schedule caste, 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).rural development projects;
- (x) Rural development projects.
- (xi) Slum area development;
- (xii) disaster management including relief, rehabilitation and reconstruction activities; and
- (xiii) Any other activities or subjects specified in Schedule VII of the Companies Act, 2013 (the Act) and the rules made thereunder, as amended from time to time and circulars/notifications issued by statutory authorities.

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.

❖ CSR Expenditure

- a) The Company shall spend at least 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years calculated in accordance with the provisions of section 198 of the Companies Act, 2013 and the rules made there under from time to time and the CSR Policy.
- b) The CSR Committee shall formulate and recommend to the Board of Directors, an Annual Plan in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism, etc.
- c) The administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- d) Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- e) If the CSR expenditure in a financial year exceeds the CSR obligations under the Act in a financial year, such excess may be set-off against the requirement of CSR spending for such period as specified under the Act.
- f) Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund specified for this purpose, within such period as may be prescribed under the Act and the rules made thereunder from time to time. The Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount
- g) In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the Company for that financial year in any scheduled bank to be called as 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund as specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year (or such other period as may be specified in the Act and rules made thereunder).

❖ MODALITIES OF EXECUTION AND IMPLEMENTATION

- The Company shall focus on the activities listed in this Policy.

The Company may partner with:

- A company established under section 8 of the Act, a registered public trust, or a registered society, exempted under sub-clauses (iv), (v), (vi), or (via) of clause (23C) of section 10, or registered under section 12A and approved under 80G of the Income Tax Act, 1961, established by the company, either singly or along with any other company; or
- A company established under section 8 of the Act, a registered trust, or a registered society established by the Central Government or State Government; or
- Any entity established under an Act of Parliament or a State legislature; or
- A company established under section 8 of the Act, a registered public trust, or a registered society exempted under sub-clauses (iv), (v), (vi), or (via) of clause (23C) of section 10, or registered under section 12A and approved under 80G of the Income Tax Act, 1961, with an established track record of at least three years in undertaking similar activities.
- A company may also collaborate with other companies for undertaking projects or programmes 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 programmes in accordance with these rules.
- company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

❖ **Monitoring and Review Mechanism**

- The administration of CSR policy and execution of identified CSR project, programs and activities under it shall be carried out under the overall superintendence and guidance of the CSR committee formed for this purpose.
- The amounts to be spent will be authorized by the CEO.
- The Committee may further authorise officials to carry out the CSR activities.
- The CSR Committee shall report to the Board on the activities undertaken by the Company. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect.
- In case of ongoing project, the Board of a Company 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.

- ❖ **Display of CSR activities on website.** - Disclosure of the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on website www.cigniti.com

❖ **Interpretation**

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time shall have the meaning respectively assigned to them therein.

In the event of any conflict between the provisions of this Policy and of the applicable law dealing with the Corporate Social Responsibility, such applicable law in force from time to time shall prevail over this Policy.

❖ **Amendments to the Policy**

The Board of Directors, either on its own or as per the recommendations of CSR Committee, can amend this Policy, as and when required. The decision of the Board of Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. This Policy is subject to continuous review and updates as required from time to time.