

Balaji Solutions Limited
Corporate Social Responsibility Policy

1. Preamble

The Board of Directors (the “Board”) of Balaji Solutions Limited (the “Company”), has adopted the following policy and procedures striving for economic and social development that positively impacts the society at large; and more specifically communities in which the Company operate.

2. Purpose

While this Policy is the stated position of the Company in the area of Corporate Social Responsibility and finds its independent justification under the Philosophy and business objectives of the organization, this Policy is also framed as per requirement of Sections 135 of the Companies Act, 2013 (“Act”) read with applicable Rules and Regulations under the Act.

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Government in enhancing the welfare measures of the communities. It is to ensure that the community receives good quality health care and education facilitates to help them grow, which in turn would lead to sustainable growth of the enterprises they are engaged with, the society and the country at large.

3. Philosophy

Balaji Solutions Limited, being a responsible corporate citizen strives to bring about overall positive impact in societies/local communities living in cities where it has business footprint. It will take up a wide range of issues relevant to the local underprivileged /marginalised communities and make a lasting and sustainable impact.

5. CSR Policy

The Company shall undertake following CSR activities as listed in Schedule VII and Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

- (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 arts and handicrafts;
- (vi) measure for the benefit of armed force veterans, war widows and their dependents;
- (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 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) 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) Defence Research and Development Organisation (DRDO), 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.
- (xiii) Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time.

Guiding Principles

1. Providing relief to families of those killed in natural calamities like floods, cyclone etc.
2. Providing healthcare treatments like heart surgeries, Kidney transplantation, cancer treatment etc.
3. Adopting communities in cities where Balaji Solutions has business footprint.
4. Preference to work with the most underprivileged section of the society.
5. Contribution to the Prime Minister's National Relief Fund or any other Fund set up by the Central Government for socio economic development and relief and welfare of the scheduled castes, scheduled tribes, other backward classes, minorities and women.
6. Providing funds provided to technology incubators located within academic institutions which are approved by the Central Government.
7. Promotion and setting up of Rural Development Projects
8. Promotion of Slum area development.
9. Promotion of sporting activities.
10. Promotion of cultural activities.
11. To undertake or support any activity for common good and benefit of the society and its people, promotion of inclusive growth and equitable development and enhancement of human development index including but not limited to development of infrastructure, housing and habitation, energy efficiency, education, roads, healthcare, sewerage, beautification of surroundings, preventive health care, waste management, water conservation, community development, etc.

Modalities and Implementation Schedule for Execution of Projects or Programs or CSR Activities

The Board shall ensure that the CSR activities are undertaken by the company itself or through -

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- (b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (c) any entity established under an Act of Parliament or a State legislature; or

(d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The 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.

The implementation Schedule for CSR activities will be dependent on the availability of eligible projects.

Expenditure

The Company shall endeavour to spend, in every financial year at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years for CSR Policy.

For this purpose, "average net profit" shall be calculated in accordance with provisions of Section 198 of the Companies Act, 2013.

The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

Corporate Social Responsibility Committee

If the annual CSR contribution is less than Rs. 50 Lakhs in the year, there is no requirement to have a CSR Committee provided the Board discharges the function of the Committee. Since the annual contribution is less than Rs 50 Lakhs in a year, the requirement of CSR Committee does not apply to our Company in accordance with Section 135(9) of the Companies Act 2013 and the Board shall discharge the function of the Committee. If at any point of time, the contribution in a year crosses Rs. 50 Lakhs, then the Board shall form a CSR Committee and ensure the compliances.

Set off of Excess amount Contributed

The excess Contribution (if any) in a financial year shall be allowed to be set off in accordance with the CSR Rules.

Reporting & Disclosures

The CSR policy was adopted by the Board at its meeting held on February 23, 2018 and as amended from time to time as and when required.

The Board of Director's will oversee the implementation and monitoring of all CSR projects/ programmes / Activities and shall be reviewed as and when necessary.

Apart from the reporting requirement as mentioned hereinabove in the Policy, following regulatory disclosure requirements also need to be complied in relation to CSR activities of the Company:

- The Board Report shall include an annual report on CSR activities in prescribed format (by Ministry of Corporate Affairs) containing specified particulars i.e. Brief Outline of CSR Policy, its content, the average net profit for the last 3 financial years and the prescribed CSR expenditures etc.;
- If the company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount and also comply with regard to the unspent fund in accordance with the provisions of Companies Act and rules.
- The CSR Policy shall be displayed on the company's website.

- Format of Reporting for Directors' Report shall be as per the formats as may be amended from time to time in accordance with the CSR Rules 2014.