

# **CORPORATE SOCIAL RESPONSIBILITY POLICY OF VERTOZ LIMITED**

## **Introduction**

We at Vertoz Limited believe that long-term business success is deeply connected to the well-being of the communities we serve and the environment we operate in. As we embark on our Corporate Social Responsibility (CSR) journey for the first time, we are committed to integrating social, environmental, and ethical responsibilities into our business operations. This CSR Policy has been formulated in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. Through this policy the Company seeks to contribute to nation-building by supporting initiatives that promote inclusive growth and sustainable development.

## **Values & Mission**

Vertoz Limited is guided by the values of integrity, innovation, inclusivity and responsibility. Our mission is to foster sustainable development and improve quality of life for current and future generations.

## **Stakeholder Engagement**

We actively engage with a broad range of stakeholders including employees, customers, investors, suppliers, communities and regulatory bodies. We encourage open communication and collaboration to understand their expectations, address concerns and incorporate feedback into our CSR initiatives.

## **Ethical Conduct**

We uphold the highest standards of integrity and professionalism in all our dealings. Compliance with local, national and international laws is non-negotiable. We ensure that all our operations adhere to ethical business practices and promote transparency, fairness and accountability.

## **Sustainability**

Sustainability is at the core of our operations. Our focus is on implementing eco-efficient technologies and fostering sustainable business practices across our value chain.

## **Governance Structure**

The Board of Directors shall oversee and monitor all matters relating to the implementation of the CSR Policy as there is no requirement for constitution of CSR Committee in the Company. The

constitution of a CSR Committee is mandatory where the Company is required to spend an amount exceeding ₹50 lakhs towards CSR in a financial year. As the Company has not crossed the said threshold, the mandatory constitution of the CSR Committee is presently not applicable. However, if the said threshold is crossed in any future financial year, the Company shall constitute a CSR Committee in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Accordingly:

- The strategic objectives of CSR activities shall be defined by the Board, ensuring alignment with the Company's mission and values.
- Designated authorities shall coordinate the implementation of CSR projects, liaise with stakeholders and ensure timely and effective execution.
- The finance team shall ensure appropriate budgeting, fund allocation and financial controls for CSR activities.

## **Mode of Implementation**

The Company may undertake its CSR activities either directly or through eligible implementing agencies in accordance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. Such implementing agencies shall include companies established under Section 8 of the Companies Act, 2013, registered public trusts or registered societies, having a valid CSR Registration Number, as prescribed under the said Rules.

## **Geographical Scope**

All CSR activities undertaken by the Company shall be carried out within the territory of India, in accordance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

## **Treatment of Unspent CSR Amount**

In the event that the Company fails to spend the prescribed CSR amount in any financial year:

- a. Any unspent amount relating to ongoing projects shall be transferred by the Company within thirty (30) days from the end of the financial year to a special account to be opened by the Company in that behalf, to be called the "*Unspent Corporate Social Responsibility Account*", and such amount shall be spent by the Company within a period of three (3) financial years from the date of such transfer, in accordance with the provisions of the Companies Act, 2013.
- b. Any unspent amount other than relating to ongoing projects shall be transferred by the Company within a period of six (6) months from the end of the financial year to such fund(s) as specified in Schedule VII of the Companies Act, 2013.

## **Schedule VII Activities Eligible for CSR Contribution**

The Company shall support one or more of the following activities, as specified in Schedule VII of the Companies Act:

### **1. Eradicating Hunger, Poverty and Malnutrition; Promoting Health Care and Sanitation:**

- Eradicating hunger, poverty and malnutrition through food distribution, nutrition programs and community kitchens.
- Promoting healthcare including preventive healthcare through medical camps, vaccination drives and awareness programs.
- Promoting sanitation and hygiene, including contributions to the Swachh Bharat Kosh set up by the Central Government.
- Making available safe drinking water through water purification, conservation and access initiatives.

### **2. Promoting Education and Livelihood Enhancement:**

- Promoting education, including special education, for children, women, senior citizens and the differently abled.
- Supporting employment-enhancing vocational skills, skill development and capacity-building programs.
- Undertaking livelihood enhancement projects for disadvantaged and marginalized communities.

### **3. Promoting Gender Equality and Social Inclusion:**

- Promoting gender equality and empowering women through education, health and livelihood initiatives.
- Setting up or supporting homes and hostels for women and orphans.
- Setting up old age homes, day care centers and other facilities for senior citizens.
- Implementing measures for reducing inequalities faced by socially and economically backward groups.

### **4. Ensuring Environmental Sustainability and Animal Welfare:**

- Ensuring environmental sustainability and ecological balance.
- Protection of flora and fauna and promotion of animal welfare initiatives.
- Supporting agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

- Contributing to environmental initiatives including the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.

#### **5. Protection of National Heritage, Art and Culture:**

- Protection and promotion of national heritage, art and culture.
- Restoration of buildings and sites of historical importance and works of art.
- Setting up and supporting public libraries.
- Promotion and development of traditional arts, handicrafts and artisans.

#### **6. Welfare of Armed Forces Veterans and Paramilitary Forces:**

- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Welfare measures for veterans of Central Armed Police Forces (CAPF) and Central Paramilitary Forces (CPMF) and their dependents, including widows.

#### **7. Promotion of Sports:**

- Training to promote rural sports.
- Promotion and development of nationally recognized sports, Paralympic sports and Olympic sports.

#### **8. Contribution to Government Relief and Welfare Funds:**

- Contribution to the Prime Minister's National Relief Fund (PMNRF) or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund).
- Contribution to any other fund set up by the Central Government for socio-economic development and relief and welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes, minorities and women.

#### **9. Contributions to Incubators and Research & Development:**

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine funded by the Central Government, State Government, Public Sector Undertakings or any agency thereof.
- Contributions to public funded Universities, Indian Institutes of Technology (IITs), National Laboratories and autonomous bodies established under ICAR, ICMR, CSIR, DAE, DRDO, DBT, DST, Ministry of AYUSH, Ministry of Electronics and Information Technology and other notified bodies.
- Contributions aimed at promoting Sustainable Development Goals (SDGs).

- Contributions to technology incubators located within academic institutions approved by the Central Government.

#### **10. Rural Development Projects:**

- Undertaking and supporting rural development projects aimed at improving infrastructure, livelihoods and access to basic services.

#### **11. Slum Area Development:**

- Slum area development through improvement of housing, sanitation, drinking water, healthcare and education facilities.
- Explanation: For the purposes of this clause, the term “slum area” shall mean any area declared as such by the Central Government, State Government or any other competent authority under any law for the time being in force.

#### **12. Disaster Management:**

- Disaster management including relief, rehabilitation and reconstruction activities during and after natural or man-made disasters.

### **Implementation Plan**

- Identify and prioritize CSR projects based on need assessments.
- Allocate necessary resources including manpower, funding and infrastructure.
- Define clear objectives, timelines and deliverables for each initiative.
- Partner with NGOs, government bodies and community leaders as needed.

### **Ongoing Projects**

The Company may undertake CSR projects which qualify as “ongoing projects” in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. An ongoing project shall mean a multi-year project undertaken by the Company having timelines not exceeding three (3) years, excluding the financial year in which it was commenced, with provision for extension of up to one (1) additional year for justifiable reasons, as permitted under the applicable law.

### **Budget**

- The Board shall ensure that minimum 2% of average net profit of the last 3 years is spent on CSR initiatives undertaken by the Company
- All expenditure towards the programs to be diligently documented

- In case at least 2% of average net profit of the last 3 years is not spent in a financial year, reasons for the same to be specified in the CSR report
- Any surplus generated out of the CSR activities not to be added to the normal business profits of the Company.

### **Annual Action Plan:**

The Board of the Company (or its CSR Committee if it becomes applicable) shall formulate an Annual Action Plan in pursuance of this CSR policy, which shall include the following, namely:

- 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 as specified in sub-rule (1) of Rule 4.
- 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.

The Board may alter such plan at any time during the financial year based on the reasonable justification to that effect.

### **Monitoring & Evaluation**

- Establish Key Performance Indicators (KPIs) for each CSR initiative.
- Conduct regular reviews and audits to assess project progress and impact.
- Collect stakeholder feedback.

### **Reporting & Transparency**

- The Company's annual report shall include details about the CSR Policy, activities undertaken and expenditures incurred.
- Maintain transparency in CSR fund utilization and decision-making processes.
- Share updates with internal and external stakeholders through official communication channels.

### **Policy Amendments**

This CSR Policy will be reviewed periodically to incorporate changes in law, business priorities, or societal needs. Any amendments will be approved by the Board of Directors and are to be communicated accordingly. The Policy shall be effective from the date of approval by the Board unless specified otherwise.

## **Conclusion**

Vertoz Limited is committed to building a sustainable and equitable future through responsible corporate practices. This CSR Policy serves as a strategic framework for aligning our operations with societal and environmental needs, ultimately fostering long-term value for all stakeholders.