

DCM INFOTECH LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY

The Board of Directors (the “Board”) of DCM Infotech Limited (the “Company”) acting upon the recommendation of its Corporate Social Responsibility Committee (“CSR Committee”), has adopted the following policy with regard to the Company’s Social Responsibility:

SHORT TITLE & APPLICABILITY

This policy, which encompasses Company’s philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is termed as the “DCM Infotech Limited CSR Policy”. This policy shall apply to all CSR initiatives and activities taken up preferably in the local area and around various workplace(s) and location(s) of DCM Infotech Limited in India for spending the amount earmarked for CSR.

CSR VISION STATEMENT

In alignment with the vision of the Company, DCM Infotech Limited, through its CSR initiatives, strives to create value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community.

OBJECTIVE

The main objective of the ‘DCM Infotech Limited CSR Policy’ is to establish and lay down the basic principles and the general framework of action for Company to undertake and fulfill its corporate social responsibility.

CSR COMMITTEE

In compliance with Section 135 of the Companies Act, 2013 and the relevant Rules, the Board of Directors has constituted a CSR committee of the Board.

The CSR Committee is entrusted, inter-alia, the following tasks-

- (i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- (ii) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

- (iii.) Recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above
- (iv.) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- (v.) Formulation of annual action plan.

AREAS OF CSR ACTIVITIES

The Company may undertake any one or more of the following activities, as mentioned in the Schedule VII of the Companies Act, 2013 and Rules thereunder, as may be recommended by the CSR Committee of the Board and as approved by the Board of Directors from time to time depending on the resources and opportunities available:

- 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 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 centers 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, agro forestry, 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. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, Paralympic 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 scheduled castes, the scheduled 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 Technologies (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 Homeopathy (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).

x. Rural development projects

xi. Slum area development

Explanation: For the purpose 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.

QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES

- i. The Company shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years. The average net profits shall be calculated in accordance with section 198 of the Companies Act, 2013.
- ii. CSR Expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the areas or subjects, specified in Schedule VII of the Act.
- iii. The Company may build CSR capabilities of their own personnel as well as of its CSR Bodies or any other implementing agency.
- iv. 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 same 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 or transferred to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year.

- v. Any amount remained unspent, if any, not relating to any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of 6 months from the end of financial year.
- vi. Any amount remained unspent, if any, relating to the ongoing project, shall be transferred to the Unspent Corporate Social Responsibility Account with a scheduled bank, within 30 days of the end of the financial year, and such amount shall be spent by the company in pursuance of its obligation towards the CSR Policy within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

EXCLUSIONS

- i. The activities undertaken by DCM Infotech Limited in pursuance of its normal course of business shall not be considered as CSR activities.
- ii. Any Contribution of any amount directly or indirectly to any political party under Section 182 of the Act, by DCM Infotech Limited shall not be considered as CSR activity.
- iii. The CSR projects or programs or activities that benefit only the employees of DCM Infotech Limited and their families shall not be considered as CSR activities.
- iv. CSR projects or programs or activities undertaken outside India shall not be considered as CSR activities.
- v. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.
- vi. Activities carried out for fulfillment of any other statutory obligations under any law in force in India.

IMPLEMENTATION

Projects will be undertaken either-in-house or through trust or Company formed by the Company for this purpose or in partnership with the recognized NGO's, trusts or other accredited agencies.

PROJECT LOCATIONS

The Company should give preference to the local area and areas around the project sites, registered office, branch offices and administrative offices of the Company for spending the amount earmarked for CSR activities. The activities will be restricted to the geographical boundaries of India.

POWERS FOR APPROVAL

CSR programmes as may be identified will be required to be put up to the CSR Committee of the Board from time to time.

MONITORING OF PROJECTS

The CSR Committee will monitor all CSR Projects/programmes.

All projects will be assessed under an agreed strategy and monitored & measured against the targets and budgets periodically. Wherever required, projects will be reoriented depending upon the need.

The CSR Committee would meet to take stock of project wise status of project completion and fund utilization and to compare with budgeted funds and timelines. The minutes of the meeting of the CSR Committee will be placed before the Board.

DISCLOSURE/REPORTING

The CSR Policy will be displayed on the Company's website www.dcminfotech.com.

Board Report of the Company shall disclose the contents of CSR Policy.

An annual report on CSR containing the particulars as prescribed under the CSR Rules shall form part of the Board's Report of the Company for the financial years commencing on or after 1st April, 2020.

GENERAL

In case of any doubt with regard to any provision of the CSR Policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Government, from time to time.

Words and expressions used and not defined in this Policy shall have the same meanings respectively assigned to them in the Companies Act, 2013 and Rules made there under.

DCM Infotech Limited reserves the right to modify, add, or amend CSR Policy and any of these Policy Rules/Guidelines.