

## INFINITY INFOTECH PARKS LIMITED

### CORPORATE SOCIAL RESPONSIBILITY POLICY (“CSR Policy” – 2021) {Pursuant to Section 135 of the Companies Act, 2013}

#### PREFACE

The concept of “**Corporate Social Responsibility**” has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. Company has adopted CSR as a strategic tool for sustainable growth. For Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

As a responsible corporate citizen “INFINITY GROUP” firmly believes in contributing to improve lives and create a healthier world, and is committed to its Corporate Social Responsibility (CSR) activities based on the conviction that all business activities must take CSR into consideration. The Group's Corporate Mission and Three Guiding Principles 3Ps – Profit, People & Planet form its basic CSR policies. For Infinity, CSR is more than just an ethical commitment, deeper than corporate spin and it is embedded in the business.

Infinity is committed to make a positive contribution to communities where it operates. The Company’s endeavour is to touch the lives of many more people by supporting innovative programmes and schemes in education, healthcare, rural development and environment protection with the aim to bring definite change to the lives of the marginalised sections of the society.

This “CSR Policy” - 2021 has been prepared keeping in mind the company’s business ethics and to comply with the requirements of Companies Act, 2013 (hereinafter called as “the Act”) and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified by the Ministry of Corporate Affairs vide Notification dated 22nd January 2021. Accordingly, the Policy is revised version of the earlier “Corporate Social Responsibility Policy” and has been approved by the Board of Directors of the Company at their meeting held on 3<sup>rd</sup> September, 2021 and it shall prevail over the earlier CSR policy.

#### OBJECTIVES OF THE POLICY

"CSR Policy" shall mean a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. This Policy shall be read in line with Section 135, Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Amendment Rules 2021 and such other rules, circulars, and notifications (collectively referred hereinafter as ‘Regulations’) as may be applicable and as amended/notified from time to time and will, inter-alia, provide for the following:

- a) Establishing a guideline for compliance with the provisions of the Regulations to dedicate a percentage of Company’s profits for CSR activities.
- b) Ensuring the implementation of CSR initiatives in the letter and spirit through appropriate procedures and reporting.
- c) Creating opportunities for employees to participate in socially responsible initiatives.

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## 1. DEFINITIONS

In this Policy unless the context otherwise requires:-

- a) “Act” means the Companies Act, 2013.
- b) “Company” means Infinity Infotech Parks Limited.
- c) “Board” shall mean the Board of Directors of the Company, as re-constituted from time to time.
- d) “CSR Committee” means the Corporate Social Responsibility Committee of the Board.

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act and Rules and any amendments thereto from time to time.

## 2. CSR ACTIVITIES

The Policy recognises that corporate social responsibility is not merely compliance, it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas for its CSR spending as main thrust area, besides other activities permitted under Schedule VII of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Amendment Rules, 2021 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force):

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach 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; supporting and setting up old age homes, day care centers and such other facilities for senior citizens and economical weaker section and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) Rural development projects

### **CSR activities for this purpose does not include –**

Corporate Social Responsibility (CSR) means the activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in the CSR Rules, but shall not include the following, namely: -

- a) activities undertaken in pursuance of normal course of business of the Company.
- b) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.
- c) contribution of any amount directly or indirectly to any political party.
- d) activities benefitting only the employees of the Company.
- e) One-off events such as marathons/ awards/ advertisement/ sponsorships of TV programmes etc. would not be qualified as part of CSR expenditure.

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- f) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.
- g) activities carried out for fulfillment of any other statutory obligations under any law in force in India

The CSR activities shall be undertaken as projects, programs or activities (either ongoing or other than ongoing) directly or through implementing agency, as per Company's CSR Policy, subject to the above mention exclusion.

### **3. GUIDING PRINCIPLES FOR CONSTITUTION OF CSR COMMITTEE**

- a) The CSR Committee will consist of three or more Directors, out of which atleast one Director shall be an Independent Director. The Board of Directors shall appoint members for the Committee.
- b) The Committee shall hold meetings as and when required, to discuss various issues on review, planning and implementation of the CSR Policy of the Company.
- c) A quorum of two members is required to be present for the proceedings to take place.
- d) The Committee shall have the authority to call such employees, senior officials and/or externals, as it deems fit.
- e) The Committee members would not be entitled for any fees for attending the CSR Committee Meetings.

### **4. ROLE OF CSR COMMITTEE**

The role of Corporate Social Responsibility Committee is, -

- a) To 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 Section 135 of the Companies Act 2013.
- b) To recommend the amount of expenditure to be incurred on the specified activities in a financial year.
- c) To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) To recommend the Board on the guiding principles for selection, implementation and monitoring of CSR activities.
- e) To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR policy, which shall include the following, namely:-
  - i. List of projects to be undertaken during the year.
  - ii. The manner of execution of such projects and details of the implementing agency.
  - iii. The modalities of utilization of fund and implementation schedule for the projects.
  - iv. Monitoring and Reporting mechanism for the project.
  - v. Details of need and impact assessment, if any for the projects undertaken
- f) To recommend the Board to alter the Annual CSR Action Plan at any time during the financial year based on the reasonable justification to that effect.
- g) Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

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## 5. ROLE OF BOARD OF DIRECTORS:

- a) The Board of Directors shall, after considering the recommendations made by the CSR committee, approve the CSR policy and the Annual CSR Action Plan of the company, which shall include the following:
  - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in the Company's CSR Policy;
  - 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
- b) The Board of Directors shall endeavor that the Company spends 2% of the average pretax net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.
- c) The Board of Directors of the Company shall disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.
- d) The Board may extend a non-ongoing project beyond one year based on reasonable justification.
- e) The Board shall ensure that the CSR activities are undertaken by the Company itself or through a registered and eligible Implementation Agency.
- f) The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer (CFO) or the person responsible for financial management shall certify to the effect.
- g) In case of ongoing project, the Board of the 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.
- h) The Board may alter the CSR Annual Action Plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.
- i) The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- j) Where the Company spends an amount in excess of requirement, such excess amount may be set off by the Board against the requirement to spend up to immediate succeeding three financial years subject to the conditions that –
  - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.
  - (ii) the Board of the Company shall pass a resolution to that effect.
- k) The Board of Directors of the Company shall state the reasons for under spending of the statutorily required allocated CSR Expenditure in the Board's Report

## 6. CSR PLANNING AND IMPLEMENTATION

- a) The Board shall ensure that the CSR activities are undertaken by the Company itself or through –
- i. 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, established by the company, either singly or along with any other company, or
  - ii. 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
  - iii. any entity established under an Act of Parliament or a State legislature; or
  - iv. 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.

All the entities covered under (i) to (iv) above must also be registered with the Central Government by filing Form CSR-1, electronically with the Registrar of Companies.

- b) 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 the CSR Policy of the Company.
- c) The Company shall give preference to the local area and areas around where it operates, for spending the amount earmarked for Corporate Social Responsibility. However, the Committee may identify such other areas, as it may deem fit, and recommend it to the Board for undertaking CSR activities.
- d) A list of CSR projects/programmes which the Company plans to undertake either directly or through its CSR Partners/ implementing agency during the implementation year will be laid down before the Committee at the beginning of each year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.
- e) CSR programmes will be undertaken by various work centers i.e. corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified project/program.
- f) The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- g) The process for implementation of CSR programmes should include steps like identification of programmes, time period, impact assessment, etc.

## 7. CSR ANNUAL SPENDS/ALLOCATION OF FUNDS

- a) For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.
- b) The Annual CSR Budget shall be spent on projects / activities as laid down in this Policy.
- c) “Administrative Overheads” expenses incurred by the Company will be used for ‘General Management & Administration’ of the Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
- d) The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –
  - i. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
  - ii. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - iii. A public authority

Provided that any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with this requirement, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

- e) Any surplus arising out of the CSR activities 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.
- f) If the company spends an amount in excess of the requirements as provided under section 135 of Companies Act, 2013, and rules made thereunder and then such excess amount may be set off against the requirement to spend upto immediate succeeding three financial years subject to the conditions that –
  - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.
  - (ii) the Board of the company shall pass a resolution to that effect.
- g) Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the Company/Implementing Agency within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three 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 thirty days from the date of completion of the third financial year.
- h) If the company fails to spend the CSR amount, 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 and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII until a separate fund is specified by the Government, within a period of six months of the expiry of the financial year .

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- i) The tax treatment of CSR spend will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT).
- j) If the Company ceases to be covered under sub-section (1) of Section 135 of the Act for three financial years, then it shall not be required to comply with the provisions of the section 135 of the Act, till such time it meets the criteria specified in Section 135(1) of the Act.

### **Procedure for CSR activities**

- i. The Committee shall formulate and recommend to the Board suitable CSR activities to be undertaken during the financial year along with the annual action plan, which shall include:
  - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) the manner of execution of such projects or programmes
  - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) monitoring and reporting mechanism for the projects or programmes; and
  - e) details of need and impact assessment, if any, for the projects undertaken by the company
- ii. The Board shall give its approval based on the recommendation of the Committee and in compliance of this Policy;
- iii. The Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, Expenditure Incurred and such other details as may be required by the Board.
- iv. CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. However, the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

## **8. CSR REVIEW, MONITORING AND REPORTING**

The CSR Committee shall:

- a) Ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head.
- b) The progress of CSR programmes under implementation at work centre will be reported to corporate office on a periodical basis.
- c) Work centres will try to obtain feedback from beneficiaries about the programs implemented at the area.
- d) CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder.

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- e) Appropriate documentation of the Company's CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
- f) The CSR Committee will review the philanthropic activities of the Company and will provide progress update to the Board of Directors at such interval as the Board may deems fit.
- g) Based on analysis of current projects, carry out roadmap planning for allocation of budget and selection of projects.
- h) The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes / activities proposed to be undertaken by the Company.

## 9. IMPACT ASSESSMENT

- 1. Details of need and impact assessment, if applicable for the projects undertaken by the Company will be included in the Annual Action Plan.
- 2. If the Company has an average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- 3. The impact assessment reports if applicable shall be placed before the Board and shall be annexed to the annual report on CSR.

Impact assessment if applicable may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

## 10. SUPPLEMENTARY PROVISIONS

- a) This Policy shall formally be implemented from the date on which it is adopted pursuant to a resolution of the Board of Directors.
- b) Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the State, Union or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner by the CSR Committee and submitted to the Board of Directors for their review and adoption.
- c) The right to interpret this Policy vests in the CSR Committee of the Company.

**Place: Kolkata**

**Date: 3<sup>rd</sup> September, 2021**

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