

**CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)**  
**SCHBANG DIGITAL SOLUTIONS PRIVATE LIMITED (“SCHBANG”)**

**1. Preface**

Corporate Social Responsibility (CSR) defines the commitment of a Company to social and economical upliftment of the society. The activities taken up as part of CSR reflect the intent to create a positive impact on society without seeking any commensurate monetary benefits.

Schbang Digital Solutions Private Limited (hereinafter referred as “Schbang” or “the Company”) is committed to upholding the highest standards of corporate social responsibility. Schbang’s objective is to enable a larger population of India, beyond economic boundaries, to participate in and benefit from the economic and technological growth of India.

**2. Scope**

The Corporate Social Responsibility Policy (CSR Policy) outlines the framework to guide the Company’s CSR activities and guides the Company to exercise its responsibilities towards the society and environment as a corporate citizen.

The policy is to be read in accordance with Section 135 of the Companies Act, 2013 (“Act”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Rules”).

**3. Objective**

Schbang’s CSR Policy intends to:

- Serve the education and technological revolution of India by empowering learners through a holistic learning environment and building opportunities.
- Promote inclusive growth by building opportunities for the economically weaker sections of society.
- Strive towards building ecosystems through like minded collaborations and ideas towards societal needs.

**4. Corporate Social Responsibility Areas/Activities**

This Policy applies to all CSR projects that will be undertaken by Schbang and shall fulfil all the requirements of Section 135 of the Companies Act, 2013. Schbang shall ensure all these activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013.

While the major CSR activities will be undertaken in focus areas identified by the CSR Committee, the Company may undertake activities that qualify as CSR under Schedule VII of the Companies Act, 2013 and rules relating to CSR, as amended from time to time, based on urgency and need arising out of circumstances such as natural disasters and emergencies.

The CSR activities shall not include any activity undertaken by the Company in pursuance of the normal course of business of the Company.

Some of the activities the Company has been engaged in are as follows:

1. Education

*(Schedule VII (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.)*

The Government of India via its National Education Policy 2020 lays emphasis on the development of the creative potential of each individual, and that education must develop not only cognitive capacities - both the 'foundational capacities' of literacy and numeracy and 'higher-order' cognitive capacities, such as critical thinking and problem solving – but also social, ethical, and emotional capacities and dispositions.

Schbang, directly and through a network of collaborators such as educational institutions, non-government organisations, non-profit organisations and other implementing agencies permissible and compliant by the Companies Act, 2013, shall perform activities to promote NIPUN Bharat mission's goals towards Foundational Literacy and Numeracy. Schbang activities shall strive to build an engaging and interactive learning environment.

2. Skill Development

*(Schedule VII (ii) Promoting education, including special education and employment enhancing vocational 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. (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;)*

With the constantly changing knowledge landscape and advancement of scientific and technological information, the employment opportunities are undergoing a paradigm shift. Schbang believes in the abundance of talent and

potential of the rising India and acknowledges its responsibility in supporting this rise with skill development opportunities to beneficiaries beyond gender, economic and other limitations.

Schbang activities shall extend towards bridging the skill gap especially in the areas pertaining to designing, coding and professional development in the rural and peri-urban India. It shall also provide support towards livelihood development for economically disadvantaged sections of the society.

3. Healthcare

*(Schedule VII (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.)*

Ensuring adept nutrition, health and sanitation facilities in the educational facilities supported by Schbang is a priority as the Company recognizes the role played by nutrition, health and sanitation in building a holistic learning environment.

The Company shall support infrastructure and facility support to ensure the aforementioned.

4. Rural Development through digital literacy

Schbang, through its direct expertise or through collaborations in compliance with Companies Act, 2013 shall work towards building digital literacy learning centres in rural areas in and around the Companies' operating units.

5. Support employee's engagement in CSR activities

The company supports its employees' engagement in the company's CSR activities and encourages participation in the said activities.

6. Schbang can support any other activities that are conforming to Schedule VII of the Act as amended from time to time, and any new areas that may be notified by the government and qualify for CSR.

**5. Undertaking CSR activities**

Schbang will undertake CSR activities either in partnership with not for profit, registered trusts/ societies/other body corporates ("hereinafter referred as "implementing Agency") or through Schbang for Good foundation ("Whenever it is declared as implementing agency) who are engaged in activities or programs which fall within the purview of Schbang's CSR Policy.

## 6. Governance Structure

A CSR Committee and the Board of Directors of the Company will monitor and ensure that the CSR projects undertaken by Schbang in accordance with the policy and statutory requirements.

## 7. CSR Committee

### 7.1 Constitution

Schbang has constituted a Corporate Social Responsibility Committee (the “CSR Committee”) in line with Section 135 of the Companies Act, 2013 (the “Act”). The CSR Committee consists of following members of the Board:

Sr. No.	Name of Member of Committee	Designation
1.	Mr. Harshil Karia	Chairman
2.	Mr. Sohil Karia	Member
3.	Mr. Akshay Gurnani	Member

### 7.2 Functions of the CSR Committee

- a. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval.
- b. Recommend CSR activities as stated under Schedule VII of the Act.
- c. Approve to undertake CSR activities, if necessary, in collaboration with other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules.
- d. Recommend the CSR Budget to the Board of Directors of the Company.
- e. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules.
- f. Create transparent monitoring mechanism for implementation of CSR initiatives in India.
- g. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company.
- h. Monitor CSR Policy from time to time.
- i. Appoint CSR team to undertake the approved CSR activities and monitor the same.
- j. Conduct monthly internal review meetings with the CSR team and submit quarterly reports of the same to the Board of Directors of the Company.

### 7.3 CSR Team

Dedicated CSR team shall be constituted from among the employees at Schbang, for implementing the CSR activities approved by the Board of Directors of the Company.

Responsibilities to be assigned to CSR Team of the Company:

- a. Identify projects and key initiatives pursuant to CSR Policy and Act.
- b. Facilitating allocation of funds to the projects as identified for CSR activities.
- c. Monitoring CSR Projects to establish effectiveness of CSR efforts and appraise the same to the CSR Committee.
- d. Monthly reporting to CSR Committee relating to CSR activities undertaken in the preceding month of that financial year.
- e. Compilation of information & preparation of Annual Reports on CSR activities and presenting the same to CSR Committee.
- f. Conducting due diligence of implementing agencies before contributing CSR fund of the Company.
- g. Any other activity necessary to ensure achievement of CSR objectives.

## **8. CSR Expenditure**

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of the Schedule VII of the Act. The amount to be spent on CSR activities shall be calculated in accordance with the provisions of the Act and Rules made thereunder. Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profit of the Company.

## **9. Implementation Process**

### **9.1 CSR Contributions**

The Company will endeavour to contribute and spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years or such amount as may be recommended by the CSR Committee from time to time in pursuance of this Policy.

### **9.2 EXECUTION, MONITORING & REPORTING**

#### **The CSR Committee shall**

1. Prepare and propose the CSR plan with the execution modalities and implementation schedules to the Board.
2. Periodically appraise the Board on the status of the CSR plan.

3. CSR will form a part of the Annual Report of the Company to be filed with the Ministry of Corporate Affairs, Government of India.
4. Institute a transparent monitoring mechanism for implementation of the CSR projects, programmes or activities undertaken by the Company.

To fulfil the above responsibilities, the CSR Committee would be equipped with necessary resources. The CSR team has been set up to ensure effective implementation of the CSR activities. The team would submit status reports of the projects/programmes to the CSR Committee on a periodic basis.

### **9.3 Disclosure**

All disclosures, display and reporting requirements related to CSR shall be made in accordance with the provisions of the Act and Rules made thereunder.

## **10. Treatment of Surplus**

Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profit of the Company.

The Board of Directors may revise/ amend this CSR Policy based on the recommendations of the CSR Committee or to bring the same in line with the guidelines or amendments issued from time to time by the Government on the subject.

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