



Information Systems Pvt. Ltd.

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CIN No. : U74140KA2003PTC032479

MODUS INFORMATION SYSTEMS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

2024

DATE	APPROVING AUTHORITY
24.07.2024	BOARD OF DIRECTORS

CORPORATE SOCIAL RESPONSIBILITY POLICY

In accordance with the provisions of Section 135 of Companies Act, 2013, read-with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2013, the Corporate Social Responsibility (CSR) Policy of M/s Modus Information Systems Private Limited ("Company") was formulated by the Board of Directors of the Company at their meeting held on 24th July 2024. This policy will be subject to the provisions of the aforesaid Act and Rules (as amended from time to time).

1. OBJECTIVE

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

2. POLICY STATEMENT

To enable the "Company" to retain it's positioning as a responsible corporate entity spearheading socio-economic transformation by taking up initiatives in the arena of skill training and social development.

3. POLICY FRAMEWORK

The Company always adheres to legal guidelines for safety and fair dealing. Every partnership and collaboration will be open and transparent. Business value and financial benefits will result only from legitimate business operations. We'll always respect the Law including anti-bribery and anti-corruption practices. Our company is also committed to always honor its internal policies. The Company always conducts its business with integrity and respect to human rights. It is also concerned about protecting the environment, the people and protecting human rights.

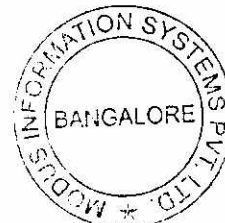
4. SCOPE

This Policy shall apply to all CSR projects/ programmers /activities undertaken by the Company / such other entities in India as per Schedule VII of the Act.



5. DEFINITIONS:

- i. **"Act"** means the Companies Act, 2013 including all the amendments from time to time and the rules framed in relation to CSR provisions thereof.
- ii. **"Board"** means the Board of Directors of the Company.
- iii. **"Board's Report"** shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.
- iv. **"Company"** means M/s Modus Information Systems Private Limited, a Company registered under the Companies Act 1956 having its Registered Office at No.7, 6th Cross Road, Bilekahally Dollars Colony, 2nd Stage, BTM Layout Bengaluru Bangalore KA 560076, Karnataka, India.
- v. **Corporate Social Responsibility (CSR) Activities** means the activities includes but is not limited to:
 - a. Projects or programs relating to activities specified in Schedule VII to the Act and includes such projects or programs as may be amended from time to time and as enumerated under this policy
 - b. Projects or programs relating to activities undertaken by the Board in pursuance of discussions at the meeting of Board of Directors or of recommendations of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.However, CSR activities shall also include the activities being undertaken by the Company in its normal course of business, provided they are covered under Schedule VII of the Act.
- vi. **CSR Committee** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- vii. **CSR Policy** means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.
- viii. **CSR Expenditure** means the amount of expenditure as permitted by the schedule for spending on CSR activities.
- ix. **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz:
 - a. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
 - b. Any dividend received from other companies in India, which are covered under and



complying with the provisions of Section 135 of the Act Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

6. CSR COMMITTEE

As per provisions of the Act, the Company need not to constitute the CSR Committee.

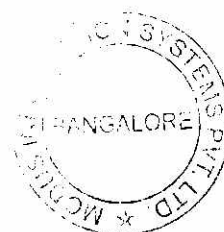
The Board of Directors, Subject to provisions of Companies Act, 2013 and rules made thereunder may meet at such intervals, in such manner and may carry out matters in such manner and function generally as per such guidelines as it deems fit.

The Board shall have, inter alia, the following roles, powers and responsibility:

- i. Formulate and recommend to the Board of Directors of the Company, "CSR Policy" indicating the activities to be undertaken by the company as specified in Schedule VII of the Act and any amendments therein;
- ii. To recommend the amount of expenditure to be incurred on activities referred to in clause (i);
- iii. Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities
- iv. Determine modalities of execution of such CSR projects, programs and activities
- v. Undertake all necessary steps to implement the CSR activities
- vi. Authorise and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors
- vii. Monitor the CSR Policy and activities from time to time.
- viii. Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company
- ix. To perform such functions as may be entrusted by the Board of Directors from time to time.

7. ROLE OF THE BOARD

- i. After taking into account the recommendations made by the Board or CSR Committee, if constituted, approve the CSR Policy for the Company.
- ii. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- iii. The Board of the Company may decide to undertake its CSR activities approved by the Board at their meeting or CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the Company, either singly or along with



its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other Company, it shall have an established track record of three years in undertaking similar programs or projects/activities;

- iv. Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.
- v. As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

8. CSR ACTIVITIES:

- i. Eradicating hunger, poverty and malnutrition, promoting 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 specially among children, women, elderly and differently able 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 and agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up 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 library; promotion and development of traditional art and handicrafts
- vi. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- vii. 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 Scheduled Tribes, other backward classes, minorities and women;
- viii. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- ix. Rural Development Projects.
- x. Health care facilities to poor and needy people.



9. TARGET GROUP

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

10. CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

11. CSR EXPENDITURE

The Board of Directors shall endeavour to the best of its efforts that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years and computed in accordance with the provisions of 198 of Companies Act, 2013 read-with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for 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 Schedule VII of the Act.

Any surplus arising out of CSR projects, programs and activities shall not form part of the business profits of the Company.

Further, the Company will report reasons for under spending, if any, of the allocated CSR budget of the current financial year in Board's Report under the signatures of the Board of Directors of the Company.

12. DISCLOSURE OF THE POLICY

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

13. CSR REPORTING

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.




14. MISCELLEANOUS

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

For and on behalf of the Board of Directors of

FOR MODUS INFORMATION SYSTEMS PRIVATE LIMITED

Date: 24.07.2024
Place: Bengaluru


Mohan Kumar K L
Managing Director
DIN: 08152446

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