



CSR POLICY
[Corporate Social Responsibility]

(Applicable from 01.06.2022 and supersedes all earlier policies)

Version 1.1

Jepandya

Pam

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1. Preamble:

RAC IT SOLUTIONS PRIVATE LIMITED (“Company”) is committed to conduct its business with highest standards of business ethics and in accordance with applicable laws, rules and regulations ensuring full and accurate disclosures. The Company believes in conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company’s Corporate Social Responsibility (“CSR”) Policy encompasses the philosophy for delineating its responsibility as a social corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the underprivileged group of Urban and Rural community.

OUR RESPONSIBILITIES

A) Towards our communities: - We will involve communities surrounding our operations to bring about a positive change in their lives through holistic, sustainable and integrated development.

B) Towards our Customers: -We will build gainful partnerships with the customers to understand their needs and provide right product and service solutions. We will adopt and actively encourage the best and fair business practices and shall endeavor to build solid bonds with them.

C) Towards our Business Partners: - We will support our suppliers to cultivate ethical and fair business practices and give preference over other to those who demonstrate this.

D) As a Corporate Citizen: - We reaffirm our commitment to conduct our business with environmental accountability. We will endeavor to adopt environment-friendly technologies and energy efficiency in our operations.

E) Responsibilities toward our Employees: - We will foster a work culture with high ethical principles and standards and encourage our employees to perform with total integrity, commitment and ownership. We will do all we can to support their professional growth and recognize high achievers.

2. Purpose:

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals.
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Explain the manner in which the surpluses from CSR projects will be treated

3. Policy Statement:

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with the goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

4. Scope of CSR activities:

As a practice, we classify only those projects that are over and above our normal course of business as CSR. This policy applies to all our CSR projects and it will be further reviewed and updated.

4.1 Normal Course of Business:

To rent, lease, hire, buy, sell, manufacture, export, import, market, distribute, indent, research, process, pledge, hypothecate, develop, design, prototype, model, re-engineer, refurbish, give consultancy, provide various kinds of services, providing various kinds of solutions, dismantle, assemble, scrap, dispose off, auction, barter, trade or otherwise carry on all kinds of business activities related to computers, servers, laptops, printers, scanners, projectors, monitors, storage devices, handheld devices, mobile communication devices, audio visual equipment's, closed circuit systems, televisions, digital cameras, computer peripherals, computer consumables, computer software, computer aided devices and all other kinds of computing, electronic and electrical devices, equipment's, machineries and data processing devices.

Exclusion from CSR

The following activity shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

5. Objectives:

For the Company, CSR not only means Corporate Social Responsibility but also Corporate Social Relationships. It is the Company's commitment to bring an overall positive impact towards sustainable development of the society at large.

In line with this statement the Company's CSR Objectives are –

- To enhance value creation in the society through the Company's CSR initiatives and projects;
- To develop sustainable projects through responsible business practices and good governance;
- To design a process for and ensure an increased commitment at all levels in the organization towards social responsibility; and
- To involve its stakeholders and create a support in the process of social transformation.

6. Governance:

This CSR policy has been developed in accordance with Section 135 of the Companies Act, 2013 (Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rules) as notified by the Ministry of Corporate Affairs, Government of India.

This Policy shall apply to all CSR projects/programs undertaken by the Company in India as per Schedule VII of the Companies Act 2013.

7. Activities:

The CSR activities of the Company will be carried on multiple lines:

a.) Promotion of Education:

The first step in social transformation is to think and thinking comes from education and with thought process. The Company may undertake projects or programs or activities aimed at the promotion of education from elementary to professional level to support the students belonging to weaker sections of the society by helping the existing schools in development of their perspective and advocacy programs to contribute in the social sector for sustainable development.

Further, the Company also intends to supports Vocational Training Centers and Centers for physically challenged students, providing endowments or recognitions to successful candidates pursuing recognized examinations, scholarships or other forms of merit cum means assistance.

b. Promotion of Health Care:

India faces high burden of disease because of lack of environmental sanitation and safe drinking water, under-nutrition, poor living conditions and limited access to preventive and curative health services, lack of education, gender inequality and explosive growth of population. Economic deprivation in a large segment of population results in poor access to health care facilities. Addressing this challenge is essential to achieve the objective of inclusive growth which will be the commitment of the Company. Early diagnosis and treatment are the most cost-effective strategies for developing ones health. In line with this, women health issues will be the foremost priority of the Company.

8. Governance Structure:

The CSR Governance Structure shall consist of Board of directors

a. CSR Committee

Pursuant to provision of Section 135 (9) of the Companies Act, 2013, Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such case, be discharged by the Board of Directors of company. Hence the CSR Committee is not required to be constituted.

9. Role and Responsibilities of CSR Committee:

The Roles and Responsibilities of the CSR Committee to be discharged by the Board of Directors of the company shall consist of the following:

- a) To draft the CSR policy and recommend the same to the Board of Directors (Board) of the Company for approval.
- b) To review and recommend any new CSR initiatives to be taken up by the Company as per the provision and Rules made under the Companies Act 2013, including the selection/appointment of implementation agencies.
- c) To review the progress of CSR projects already undertaken by the Company and the utilization of budgets for each of such projects.
- d) To review and recommend the CSR report to be included in the Board's Report.
- e) To review and recommend any amendments to be made in the CSR Policy of the Company.
- f) To carry such other functions as may be delegated to it by the Board relating to CSR activities of the Company.

10. Budget:

The Board of Directors shall recommend the annual budgeted expenditure (project wise) to the Board for its consideration and approval. For achieving the CSR Objectives through implementation of meaningful & sustainable CSR Programs, the Company shall allocate in each financial year 2% of the average net profits made by the Company during the three immediately preceding financial years, as its Annual CSR Budget.

11. Surplus: Surplus arising out of CSR projects or programs, if any, shall not be part of business profits of the Company and the same shall be utilized for CSR activities in accordance with this Policy.

12. Implementation:

The CSR programs or projects under this Policy will be implemented directly by the Company or indirectly through the following implementing agencies.

- a) Through a Registered Trust or a Registered Society or Section 8 Company, whether or not established by the Company or its holding or subsidiary or associate company; or
- b) In collaboration with other companies; or
- c) Combination of one or more of the above.

In case one or more CSR projects or programs are undertaken in collaboration with implementing agencies, clear demarcation with respect to responsibility, contribution, implementation, monitoring etc. of each of such agencies shall be established.

If, the Board decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, such section 8 company or trust or society shall be registered under Section 12A & 80G of the Income Tax Act, 1961 and shall have an established track record of at least three years in undertaking similar programs or projects or activities.

13. Execution:

Company shall identify suitable programs for implementation in line with its CSR objectives and also benefit the stakeholders and the community for which those programs are intended. These programs would be done through:

- a) Community based organizations whether formal or informal
- b) Voluntary Agencies (NGOs)
- c) Institutes/ Academic Organizations
- d) Trusts, Missions
- e) Self-help Groups
- f) Mahila Mandal's/ Samitis
- g) Professional Consultancy Organizations
- h) Corporate with similar CSR Vision

14. Monitoring and Review:

To ensure effective implementation of the CSR programs undertaken by the Company, a monitoring mechanism will be put in place by the Company. The progress of CSR programs under implementation will be evaluate and monitored by Board of Directors.

15. Amendment:

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 from Government, from time to time. The Board reserves the right to alter in any manner whole or part of this Policy as and when necessary, subject however to the provisions of the Section 135 of the Act and Rules made thereunder.

16. Reporting:

At the end of each financial year, the Board of Directors shall prepare a CSR Report in the prescribed form relating to the financial year and submit the same to the Board of the Company.