

Corporate Social Responsibility ("CSR") Policy

**Mahindra Integrated Business Solutions Private
Limited ("MIBSPL")**

1. CSR and Mahindra Group

Mahindra Integrated Business Solutions Private Limited (MIBSPL) is committed to be a socially responsible corporate citizen and believes that corporate social responsibility is a key business process for sustainable development.

Mahindra group (“Mahindra and Mahindra Limited”, Holding Company and its group companies) has always gone beyond legal and statutory requirements to make responsible investments in the community. The Mahindra Group’s ‘Core Purpose’ is to challenge conventional thinking and innovatively use all resources to drive positive change in the lives of stakeholders and communities across the world, to enable them to RISE.

In keeping with the group’s RISE philosophy, the Company commits itself to driving positive change to enable people and communities to RISE above their limiting circumstances. For the Company, responsible business practices includes being responsible for the Company’s business processes, products, engaging in responsible relations with employees, customers and the community. Hence for the Company, CSR goes beyond just adhering to statutory and legal compliances and creates social and environmental value for our key stakeholders.

At MIBSPL, the Company is driven by a CSR vision focussing on the constituencies of girls, youth by innovatively supporting them through programs designed in the domains of Education, Health and Environment while harnessing the power of technology. By investing CSR efforts in these critical constituencies who contribute to nation building and the economy that will enable stakeholders and communities to RISE.

Our CSR initiatives focus on creating a more equal world by empowering communities as well as contributing to the planet through environment conservation.

The Company also works closely with stakeholders / local communities to support local need-based projects around business locations. The Company shall also take up other activities including projects as prescribed under Schedule VII of the Companies Act, 2013 (“the Act”) and such other activities as the central government may notify in the future under Schedule VII to the Act.

2. Objective of the CSR Policy:

To promote an unified and strategic approach to CSR in Mahindra Integrated Business Solutions Private Limited. (‘the Company’) by identifying select causes to work with, thereby ensuring a high social impact.

3. Scope and Applicability:

This policy shall be applicable to Mahindra Integrated Business Solutions Private Limited.

4. CSR Approach & Guiding Principles:

All CSR projects will be in line with the requirements of Section 135 of the Act read with rules notified thereunder, as amended from time to time, (collectively referred as CSR provisions) and within areas as listed in Schedule VII of the Act; and adhere to the following policy guidelines.

Policy Guidelines:

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013
- CSR projects or programmes or activities must be undertaken in India alone.

- Any activity undertaken by the Company outside India shall not qualify as a part of CSR expenditure except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.
- CSR activities must not include the activities undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or activities that benefit only the employees of the Company and their families shall not be considered as CSR.
- CSR activities should be in project/ programme mode. One-off events such as marathons/ awards/ charitable contribution/ advertisements / sponsorship of TV programmes etc. will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.
- Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services shall not be considered as CSR.
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India will not qualify as part of CSR expenditure.

5. Total Outlay:

In line with the CSR Provisions, MIBSPL commits to contribute at least 2% of the average net profits of the Company made during the three (3) immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company may spend up to 5% of the total CSR expenditure in one financial year towards administrative expenses relating to the general management and administration of CSR functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular CSR project or programme. In addition, eligible projects impact assessment expenses will be incurred within the permissible expenses limit in one financial year.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the Unspent CSR Account and it should be spent in pursuance of this CSR policy and annual action plan of the Company, or the Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year in accordance with the applicable CSR Provisions.

Likewise, any excess amount spent on CSR activities may be set off against the requirement to spend in the succeeding financial years in accordance with the applicable CSR Provisions.

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the “Unspent Corporate Social Responsibility Account”. Such amount shall be spent by the company towards CSR 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.

“Ongoing Project”, as referred in this policy and as defined in the Act means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

In the event the Company creates or acquires capital asset out of the CSR spend, such capital asset will be dealt with in terms of the applicable CSR Provisions.

6. Implementation:

CSR initiatives will be implemented either directly by the Company through its employees or through implementing partners which include a company established under section 8 of the Act, or a registered public trust or a registered society having an established track record of at least 3 years in undertaking similar activities for which the grant is being given. These organizations would need to be registered and holds valid registration certificate under section 12A and 80G of the Income Tax Act, 1961 (43 of 1961). The above entities shall register with the Central Government by filing the form CSR-1 electronically with the Registrar.

The Company may also collaborate with other companies for undertaking CSR projects, programmes or activities in such a manner that the respective companies are in a position to report separately on such projects or programmes in accordance with the CSR Provision.

The Company may engage International Organisations (as defined in Clause 2(g) of the Companies (Corporate Social Responsibility Policy) Rules 2014) for designing, monitoring, and evaluation of the CSR Projects or programmes as per its CSR Policy as well as for capacity building of their own personnel for CSR.

7. Governance and Monitoring Process:

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy and monitoring of CSR projects in accordance with CSR Provisions.

Board level Governance/Board level CSR Committee

As per the provisions of section 135(9) the Act read with the applicable CSR Rules, where the prescribed CSR amount to be spent by a company, i.e. two percent of the average net profits of the company made during the three immediately preceding financial years does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee is not applicable and the functions of such Committee shall be discharged by the Board.

The Board shall constitute a Board level CSR Committee in accordance with the provisions of Section 135 of the Companies Act, 2013, as and when the constitution of such CSR Committee becomes mandatory for the Company as per the aforesaid provision of the Act and the CSR Rules.

The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company, if constituted, shall be responsible for formulating, monitoring and recommending to the Board, the CSR policy and CSR Annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.

In the absence of CSR Committee/in the event of not requiring a mandatory CSR Committee and where the functions of such CSR Committee is discharged by the Board in accordance with the provisions of section 135(9) of the Act, the Board shall be responsible for formulation and approval of the CSR Policy and adoption of the same alongwith CSR Annual Action Plan for the Company. The Board may alter the plan at any time during the financial year based on reasonable justification to that effect and approve the reports on CSR projects achievements.

The CSR Annual Action Plan shall inter-alia include the following:

- (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.

Apart from recommending and approving budgets for project implementation, the Board/CSR Committee (if constituted), may also institute a monitoring mechanism to track the progress of each project. The operating management implements the CSR initiatives and reports to the Board/CSR Committee (if constituted).

It will be the responsibility of the operating management to review the progress of various CSR projects in terms of outcome. The Operating management will mandate the effective and timely monitoring and evaluation of CSR projects and carry out situational analysis, need assessment surveys, project visits, or impact studies, etc., if and as required, for strategic and high value CSR programmes and regularly report to the Board/CSR Committee (if constituted). The Board/CSR Committee (if constituted) will also carry out impact assessment of completed CSR Projects having a value/CSR outlay of Rs. 1 Crore or more, through an independent agency, as and when applicable, at least once in every three years or such shorter period as may be prescribed by law, from time to time.

Further, where the Company chooses to collaborate with one or more other companies for the implementation of a CSR project then the impact assessment carried out by any one company for the common project may be shared with the other companies for the purpose of disclosure to the Board and in the annual report on CSR. The sharing of the cost of impact assessment may be decided by the collaborating companies subject to the limit as prescribed in rule 8(3)(c) of the Companies (CSR Policy) Rules, 2014 for each company.

The CSR Policy of the Company shall be uploaded on the Company's website for information of all stakeholders.

8. Amendments:

Amendments from time to time to the CSR Policy, if any, shall be considered and approved by the Board of Directors.

In case of any subsequent change in the Act/ Rules made thereunder, if any particular part/ provision of this Policy becomes inconsistent or requires amendment, till this Policy is amended, any subsequent changes in the Act/ Rules shall prevail.

For and on behalf of Mahindra Integrated Business Solutions Private Limited

Mr. Rohit Thakur
Chairman