

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)

1. Preamble

The Company, SoftTech Engineers Limited, is a company incorporated in year 1996. SoftTech Engineers Limited having its Registered Office in Pune.

Since its inception, SoftTech Engineers Limited, as part of its Social Responsibility endeavor has made a positive difference for empowerment of society through our Social initiatives. SoftTech Engineers Limited always gives thrust on developing young entrepreneurs and women empowerment.

2. Purpose

The key purpose of this policy is to:

- o Define what CSR means to us and the approach adopted to achieve our goals
- o Define the kind of projects that will come under the ambit of CSR
- o Identify broad areas of intervention in which the company will undertake projects
- o Serve as a guiding document to help execute and monitor CSR projects
- o Elucidate criteria for partner implementation agencies
- o 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 Company's vision and 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

SoftTech's CSR Focus in line with Schedule VII of the Companies Act, 2013:

SoftTech Engineers Limited will undertake its CSR activities in the following broad areas:

- 1) Promoting education including special education
- 2) Giving medical aid, Promoting preventive health care and sanitation and making available safe drinking water
- 3) Eradicating hunger, poverty and malnutrition
- 4) Promoting education, gender equality and empowering women and physically handicap and disabled.
- 5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water

- 6) Measures for the benefit of armed forces veterans, war widows and their dependents
- 7) Rural Development Projects
- 8) Such other activities as specified in schedule VII of the Companies Act, 2013.

SoftTech Engineers Limited is committed to uphold the interests of all the stakeholders by implementing the guidelines in spirit.

Appointment of outside agency:

SoftTech Engineers Limited may implement its CSR activity in any of the above mentioned areas through independently registered non-profit organizations.

5. CSR Budget & Schedule of implementation

A. Funds to be expended per financial year

1. The Company shall spend 2 % of the average net profits made during the three immediately preceding financial years, in every financial year.
2. Any income or surplus arising out of CSR activities undertaken by the Company will form part of the corpus earmarked for CSR activities.
3. Any surplus arising out of any of the CSR activities carried out by the Company will not be treated as part of the business profits of the Company.

B. Distribution of Funds to be expended every financial year

1. SoftTech Engineers Limited has decided to undertake initiatives/ projects, on its own or in partnership with external parties / NGO's to promote initiatives towards the activities mentioned above.
2. For projects undertaken in partnership with external parties / NGO's, SoftTech Engineers Limited will monitor and supervise the project / initiatives / activities through proper mechanism to ensure that the targeted activities of the initiatives has been achieved. The Company will discuss and work with external parties / NGO's suitable mechanism and will document the same through an agreement / Memorandum of Understanding.
3. The CSR initiatives/projects/activities of the Company, may be carried out through the initiatives / programmes / projects, which are located/operate in the vicinity of the various locations of the Company.

4. The Company has not set a specific limit of spend on each of the above objectives. The Company believes in undertaking right projects for the benefits of community at large.
5. The overall spend on CSR activities / initiatives / projects will be limited to the mandated 2% of average net profits of last three years, as per the Companies Act, 2013.
6. In case there is a shortfall in spend due to unavailability of suitable projects, the CSR Committee members can decide to either carry forward the balance to next year for spend or can donate to **“Prime Minister National Relief Fund” or any other recognized fund set up by the Central Government”**.

6. Governance Structure

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.

CSR Committee

The CSR activities of the Company will be monitored by the **“CSR Committee” (the Committee)**. The Committee will have three members from the Board of Directors of the Company and it would co-opt other members/employees/management personnel’s, as part of the committee to assist in monitoring and supervising the CSR Activities.

The CSR Committee will meet as and when required to discuss the ongoing and future projects and spends on CSR activities.

The Committee Meeting will be chaired by one of the members of the Committee. Any 2 members of the Committee shall form quorum.

In each of this meeting, the CSR Committee will review update on the status of the CSR activities, spends on such activities, any upcoming projects and initiatives and expected spend on the same would also be presented to information, suggestions and guidance.

On a yearly basis, the Director of the Company shall submit a report to the **Committee**. The report shall set out details of CSR activities undertaken and money expended towards the projects/activities undertaken, projects completed and the outcome of these activities, where possible.

Responsibilities of the CSR Committee

- (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 the Companies Act, 2013, as amended from time to time;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above subject to the limits provided under section 135 of the Companies Act;
- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time and
- (d) Any other matter as the Corporate Social Responsibility Committee may seem appropriate after approval of the Board or as may be directed by the Board of Directors from time to time.