

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

Version 2.0

Foot note:

The Board of Directors of Intellect Design Arena Ltd at its meeting held on October 15, 2014 has approved the policy. Subsequently, in line with various Companies (Amdt.)Act, the Board of Directors at its meeting held on February 02, 2021 has approved the revised policy.

Corporate social responsibility (CSR) policy

OBJECTIVE:

The CSR Policy of the Company is formulated for determining the guidelines for contributing towards the sustainable development of the society and environment as a whole. At Intellect we seek to create a sustainable well-being. We at Intellect engage with society beyond business as we believe that good business needs to create higher impact in building a better future for communities around the globe. Our theme is “**IGNITE YOUNG MINDS**” and “**CAN DO**” spirit across the country.

The Company has always endeavored to conduct its business responsibly, mindful of its social accountability, respecting applicable laws, regulations and with regard for human dignity.

We positively impact and influence our associates and business partners in fostering a sense of social commitment for their stakeholders.

The CSR committee is entrusted with the responsibility for carrying out the CSR activity of the Company.

Focus Areas:

The Company focuses mainly on the following thrust areas.

1. Education
2. Rural development projects
3. Any other activity as may be approved by the CSR committee on a case to case basis

GOVERNANCE AND MANAGEMENT:

Constitution:

The Board of Director at its meeting held on October 15, 2014 constituted a Committee titled as “Corporate Social responsibility”. The Committee will act in accordance with Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014 and with Schedule VII of the Act.

Management:

The Board has the supreme authority in constituting/re-constituting the CSR Committee and overseeing policy programs and such other activities.

a. Membership:

- The Committee shall be constituted with minimum 3 members out of which at least one shall be an independent director.
- The requisite quorum shall be any two members present at the meeting
- The Company Secretary shall act as the secretary to the Committee.

b. Frequency of the meetings:

The Committee shall meet at least once in a year. Additional meetings may be held to ensure that the Committee takes note of the CSR activities.

ACTIVITIES TO BE UNDERTAKEN:

The Committee shall undertake one or more of the following activities, which relates to Schedule VII of the Companies Act, 2013:

- 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
- Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently able and livelihood enhancement projects
- Promoting gender equality and 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.
- 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga
- 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;
- measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports
- contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- rural development projects
- slum area development.
- disaster management, including relief, rehabilitation and reconstruction activities

Explanation: For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

EXPENDITURE TO BE INCURRED:

The Board shall ensure that the Company spends, in every financial year at least two percent (2%) of the average net profits of the Company made during the three immediately preceding financial years. The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The Board shall also ensure that administrative overheads shall not exceed 5% of the total CSR expenditure of the Company for the financial year.

In addition, any surplus arising out of the CSR projects or programs or activities will not form part of the business profit of the company and shall be ploughed back into the same projects or shall be transferred to the unspent CSR Account and spent in pursuance of the policy and annual action plan of the Company or transfer such surplus amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Further, where a company spends an amount in excess of required as provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –

- (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.
- (ii) the Board of the company shall pass a resolution to that effect.

DEFAULT:

If the company is in default in complying with the above provision, the company shall be liable to a penalty of twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or one crore rupees, whichever is less, and every officer of the company who is in default shall be liable to a penalty of one-tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or

the Unspent Corporate Social Responsibility Account, as the case may be, or two lakh rupees, whichever is less.

MONITORING AND EVALUATION:

The CSR activity will be carried by Ullas Trust or such other Charitable Trusts as may be recommended by the committee and approved by the Board from time to time.

The Company is undertaking its CSR activity through Ullas trust which qualifies as CSR activity under Schedule VII(ii) of the Companies Act, 2013. Ullas Trust objective is to recognize and promote academic excellence for the lesser privileged.

The Committee shall through its members monitor the expenditure incurred against the budgeted amount and areas covered and report it to the Board.

REPORTING:

The Boards report shall include the following aspects: Composition of the Committee, CSR activities, average net profit, contribution towards CSR , manner in which the amount spent during the financial year etc.

PUBLICATION OF THE POLICY:

The CSR policy, composition of the Committee and projects approve by the Board shall be displayed on the Company's website for public access.

AMENDMENT:

The Company or the Board reserves its rights to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

About “Ullas Trust

Ullas Trust (Intellect’ CSR initiative) was started in 1997 by its employees, with an aim to integrate Polaris with a larger community and enable them to enjoy the bliss of working with young minds in the country.

The primary motive of Ullas is to recognize academic excellence in students from the economically challenged sections of our society and encourage the “Can do” spirit towards chasing their dreams and aspirations. Very early in its evolution, Ullas decided to focus its energies on students during the most vulnerable stage in their journey – adolescence! This would translate into students from Class (Grade) 9th to 12th.

Ullas operates out of our campuses in Chennai, Hyderabad, Mumbai and Delhi

Ullas has so far touched the lives of over 25,000 young students in India and has been awarded India's best CSR Company by BSE - NASSCOM – Times Foundation in 2008.