

## **CSR Policy for Schoolnet Group**

### **(1) Introduction:**

Consequents to the amendments made by MCA to the Act, vide the Companies (Amendment) Act, 2020 and the CSR Policy Amendment Rules, vide the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 read together with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022, the Board reviewed and adopted this policy on March 21, 2024. The policy can be downloaded from the website of the company at <https://www.schoolnetindia.com>

### **(2) Preamble:**

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct the business in an economically, social and environmentally sustainable manner that is transparent and ethical. At Schoolnet India Limited ("Schoolnet / Company") business success is not just about profits but we believe in pursuing wider socio-economic and cultural objectives and have always endeavored to not just live up to it, but to try and exceed the expectations of the communities in which we operate. Further, Schoolnet is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Act and related Rules.

### **(3) Objectives and approach on CSR:**

As a responsible corporate citizen, Schoolnet is committed to sustainable development and growth and has been focusing on a wide range of issues in relation to water, environment, healthy living, education, social advancement, promoting gender equality, empowerment of women, rural development projects etc. The Company will continue to focus and support CSR activities as prescribed in Schedule VII to the Companies Act, 2013 as mentioned hereunder:

#### **(a) Eligible Activity under CSR as prescribed in Schedule VII:**

The Company will continue to focus and support CSR activities as prescribed in Schedule VII to the Companies Act, 2013, listed below:

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the "Swachh Bharat Kosh" set-up by the Central Government for promotion of

sanitation and making available safe drinking water.

- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled 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, and protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the “Clean Ganga Fund” setup 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 libraries, promotion and development of traditional arts and handicrafts.
- (vi) Measures for the benefit of Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) 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.
- (ix) 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 Homeopathy (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 Developments Goals (SGs).

- (x) Rural development projects.
- (xi) Slum area development ('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).
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities.

**(b) Activities not considered as CSR:**

The following shall not be considered as CSR activities:

- (i) Activities undertaken in pursuance of normal course of business,
- (ii) Contributions made to any political party,
- (iii) Activities benefitting employees of the company or their families,
- (iv) Activities, if any, undertaken outside India, except for training of Indian sports personnel representing any state or union territory at the national or international level,
- (v) Activities, if any, supported on "sponsorship basis" for deriving marketing benefits for its products or services

**(4) Governance:**

**(a) CSR Committee**

CSR committee, if applicable provides guidance on CSR activities and monitors compliance with CSR policy, commitments and applicable CSR provisions. The scope and role of CSR Committee shall be as set out in the Companies Act, 2013 and the CSR Rules.

**(b) Board of Directors**

The Board reviews the impact of CSR activities, provides inputs and satisfies itself that the CSR spends are aligned to the CSR policy and has been utilized for the purpose and in the manner approved by it. In addition, at the end of financial year, the CFO or person designated for CSR implementation by Board shall certify to the Board that CSR spends have been utilized for the purposes and in the manner approved by the Board.

**(5) Annual CSR spends:**

The company is committed to spend at least 2% of its average net profits made during the immediately preceding three financial years on CSR activities every financial year. If during any financial year the company spends an amount in excess of 2% of its average net profits, the same will be considered as excess CSR spends for the financial year and will be set-off in the immediately succeeding three financial years subject to fulfilment of conditions prescribed under the Act and the CSR Rules, if the Board decides to do so.

**(6) Limits on CSR spends:**

Administrative overheads on CSR activities will not exceed 5% of total CSR spends in any financial year. Total spends incurred on conducting mandatory Impact Assessment Studies of CSR projects will not exceed 2% of total CSR spends of the company for a financial year or Rs. 50 Lacs, whichever is higher. The company shall not acquire any capital asset out of its CSR spends. In case it does, the said capital asset will be held by Implementing Agency/ Beneficiaries of the Project/ Public Authority, in the manner specified in the Act and the CSR Rules.

**(7) Unspent CSR amount:**

Unspent CSR amount, if any, at the end of a financial year, shall be segregated into those in relation to 'ongoing' and 'other' projects and will be dealt with in the manner prescribed under the Act and the CSR Rules.

**(8) Excess CSR spends:**

If in any financial year the company spends on CSR activities in excess of the obligated 2% of average net profits, the Board may decide to set-off the same in

the immediately succeeding three financial years, subject to conditions prescribed under the Act and the CSR Rules.

**(9) ‘Income’ or ‘Surplus’ arising out of CSR activities:**

‘Income’, or ‘Surplus’, if any, arising out of CSR activities, shall not form part of company’s business profits and shall be ploughed back in the same CSR project or transferred to “Unspent CSR Account” and spent in pursuance of CSR Policy and the Annual Action Plan on CSR activities.

**(10) Annual Action Plan on CSR Activities**

As prescribed under CSR Rules, at the beginning of every financial year, CSR Committee/ designated person shall prepare a detailed Annual Action Plan on CSR activities, for the financial year, for approval of Board. On approval of the Board of Directors, any deviation from Annual Action Plan will only be made with the prior approval of Board, on recommendation of CSR Committee, if applicable. Annual Action Plan shall contain detailed information on the following:

- List of CSR projects that are to be undertaken for the financial year
- Manner of execution of these CSR projects.
- Modalities of utilisation of funds, year-wise (in case of multi-year projects)
- Implementation Schedules for all CSR projects
- Monitoring and reporting mechanism for all CSR projects AND
- Details of need and impact assessment studies, if any, for CSR Projects undertaken by the Company

**(11) Guiding Principles for selection of Projects:**

The company will strive to select CSR projects based on following guiding principles:

**Right focus:** Concerted and focused efforts keeping in view social, economic, environmental well-being with a holistic approach on sustainable development of people and planet leading to projects that will have long lasting and systemic

impact which are non-discriminatory in nature.

**Right scale:** Focus on scalable projects which need significant coordination with large sections of civil society.

**Right monitoring and strong governance:** Projects with evidence-based and measurable impacts along with focus on strong governance and monitoring mechanism.

## **(12) Implementation and monitoring of CSR Projects:**

**Project Implementation:** The company will implement CSR projects either by itself directly or through other Implementing Agencies which fulfil the criteria laid down in Act and the CSR Rules and which are registered with MCA. Projects are implemented in strict compliance with requirements laid down in the CSR Rules and in accordance with the socio-economic needs of India. Implementation will be in adherence to approved Annual Action Plan for the financial year.

**Project Monitoring:** The company has a dedicated team to monitor implementation of projects which hold regular discussion with Implementation Agencies (“IAs”), undertake regular site visits and seek periodic reports from IAs. The CSR Committee also ensure periodic monitoring of project. In addition, reputed external agencies would be appointed to monitor implementation of projects on the ground, who are responsible to report end-to-end activities *vis a vis* objective of projects, wherever required.

Need based impact assessment studies of certain projects, wherever applicable, would be conducted by the company through external agencies. The team ensures that IAs submit periodic pictures of project sites and videos (both before and after completion of projects), as well as feed-back of project beneficiaries. Going forward too, the company will continue to conduct need-based impact assessment studies of various CSR projects in addition to those where it is mandatory to do so.

## **(13) Amendments to this CSR Policy:**

The Board of Directors shall have the power to revise/modify/amend this Policy from time to time, as it may think fit, based on recommendations of the CSR Committee. In the event of any conflict between the provisions of this Policy and applicable statutes, the applicable statutes will prevail and be applicable.