

# POLICY ON CORPORATE SOCIAL RESPONSIBILITY

## About Us

At MattsenKumar, we believe in a culture that encourages employees to BE BOLD, processes, and information flow to BE TRANSPARENT and build an environment that encourages us to BE MORE. Our tagline “Be Bold, Be Transparent and Be More” reiterates and reaffirms our beliefs.

Policies are important in the workplace as it helps reinforce and clarify the standards expected of employees as it defines what is acceptable and unacceptable in the workplace. Our Guidelines and Policies are developed to help team members know what is expected of them concerning standards of behavior and performance. These further help set the guidelines for decision-making in routine situations for all employees.

As an Organization, these demonstrate good faith that all employees will be treated fairly and equally. Policies help us to adopt a consistent and clear response across the company to refer to situations involving employee interaction continually.

You are expected to reach out to the Employee Relations Team should you have any suggestions or doubts regarding the policies.

## Ownership Details

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## Version Control History

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1	Policy On Corporate Social Responsibility	1.0	10 <sup>th</sup> August 2017	Apeksha Pathak	
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3	Policy On Corporate Social Responsibility	3.0	6 <sup>th</sup> November 2020	Apeksha Pathak	<ol style="list-style-type: none"> <li>1. Added MK trust as one of the implementing agencies for MK’s CSR activities.</li> <li>2. Update Gurgaon office address</li> </ol>

### MattsenKumar Delivery Centers

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## 1. Preface

Corporate Social Responsibility (CSR) is the way and mean through which corporates can repay the obligations made by the Society by contributing the resources in its various forms as required for the efficient operation of the Business. Corporate Social Responsibility is strongly connected with the principles of sustainability. Organization should make decisions based not only on financial or operational factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of MattsenKumar Private Limited (herein referred to as 'we' or 'MK' or 'the company') to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

## 2. Objective

The key objective of this policy is to:

- Outline the development areas in which the Company shall get involved in.
- Define governance structure for CSR management within the Company.
- Serve as a guiding document aiding in identification, execution and monitoring the CSR projects.
- Describe the treatment of surpluses from CSR activities.

## 3. Scope of CSR Policy

This Policy applies to all CSR projects that will be undertaken by MK and shall fulfill all the requirements of Section 135 of the Companies Act, 2013. MK shall ensure all these activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013. This Policy will be periodically reviewed and updated in line with the relevant codes of legislation and best practices that can be adopted by MK

## 4. Areas to Emphasize

MK has broadly selected certain areas of focus (which are aligned to Schedule VII to the Companies Act, 2013), under its CSR activities listed as under. Our CSR activities will be focused on, but not limited to the activities relating to

- eradication of extreme hunger and poverty;*
- promotion of education;*
- promotion of gender equality and empowering women;*
- employment enhancing vocational skills;*

## 5. Undertaking CSR activities

MK will undertake CSR activities either in partnership with not for profit, registered trusts/societies/other body corporates who are engaged in activities or programs which fall within the purview of MK's CSR Policy and areas of focus, and/or directly through MattsenKumar foundation (registered as a trust under The Indian Trusts Act, 1882).

## 6. Governance Structure:

MK has constituted a CSR Committee at the Board level. The CSR Committee is supported by the CSR Team (MK Sparsh). The CSR Committee at MK is responsible for implementing and administering CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013. The Board of Directors of the Company are ultimately accountable for the CSR projects undertaken by the company.

### 6.1 CSR Committee

MK has constituted Corporate Social Responsibility Committee (the “CSR Committee”) in line with section 135 of the Companies Act, 2013 (the “Act”). The CSR Committee consists of following members of the Board:

- Mrs. Aarati Kumar (Director)
- Mr. Mike Mattsen (Director)

The CSR Committee of the Board shall be responsible for:

- Review of CSR activities in the Company.
- Formulation of CSR Policy.
- Monitoring of implementation of CSR Policy.
- Recommend to the Board, modifications to CSR Policy as and when required.
- Appraise to the Board the CSR expenditure done during the year.

### 6.2 CSR Team:

Dedicated CSR team has been constituted from among the employees at MK, for implementing the CSR Policy and shall work under the guidance of CSR Committee and will be mainly responsible for:

- Execution of CSR Policy.
- Identify projects and key initiatives pursuant to CSR Policy.
- Facilitating allocation of funds to the projects as identified for CSR activities.
- Monitoring CSR Projects to establish effectiveness of CSR efforts and appraise the same to CSR Committee.
- Compilation of information & preparation of Annual Reports on CSR activities and presenting the same to CSR Committee.
- Any other activity necessary to ensure achievement of CSR objectives.

## 7. CSR Budget

The total budget for the CSR projects in each financial year will be decided by the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. The CSR Committee shall propose to distribute the budget among the Areas to Emphasize or such of them as the CSR Committee may deem fit in each financial year, in such proportion and in a manner that meets the objectives of the CSR Policy.

For any reason if the CSR team is not able to follow the allocation agreed on in any of the Areas to Emphasize described above, the same shall be utilized in such other Areas to Emphasize as the CSR team may recommend with the reasons therefor, and the CSR Committee may approve.

## 8. Implementation Process

### 8.1 CSR Contributions

The Company will endeavor to contribute and spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years or such amount as may be recommended by the CSR Committee from time to time in pursuance of this Policy.

### 8.2 Compliance, Monitoring and Reporting

#### 8.2.1 Compliance

CSR Team will plan, implement, monitor and manage all CSR projects & activities for MK and will work closely with the CSR Committee

The CSR Team will formulate implementation plans for the projects specifying the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Responsibilities and authorities for implementation.
- Results expected to be achieved post implementation.

#### 8.2.2 Monitoring

The CSR Committee shall institute and follow a transparent monitoring mechanism for implementation of CSR programs/projects. A three-tier monitoring shall be established:

The first-tier monitoring shall be driven by the local CSR team. The team will function in close co-ordination with the implementing partner. The CSR Team will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports etc. The CSR team shall conduct an internal quarterly review meeting with implementation agency on pre agreed KPIs for qualitative and quantitative outputs/outcomes of the CSR programs. The monitoring plan will broadly cover the following aspects:

- a. Achievements as per project-based milestones
- b. Actual spend vs budgeted amount
- c. Beneficiaries covered under each program
- d. Review of external partners
- e. Implementation challenges (if any)

The CSR committee at the second level will review the progress with regard to implementation and results of CSR initiatives. The Board of Directors will take a final review and accordingly pass advisory at the third level.

#### 8.2.3 Reporting

The CSR Committee of the Board, based on reports presented by the CSR Team, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act 2013. The CSR Committee shall also submit a responsibility statement to the Board that the implementation and monitoring of the CSR Policy is in compliance with the approved CSR Policy of the Company

The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company respectively.

## 9. Treatment of Surplus

Subject to the provisions of Companies Act, 2013, the surplus, if any, arising out of CSR Programs and Projects, and activities shall not form part of business profits of the Company.

## 10. Compliance

The Company shall comply with all applicable provisions of Companies Act, 2013 read with rules thereof, as amended from time to time, in respect of any of the CSR project(s) / program(s) approved by the CSR Committee of the Company.