

INFO EDGE (INDIA) LIMITED

Corporate Social Responsibility (CSR) Policy

As originally approved by the Board of Directors in their meeting held on 16th October, 2014, and Reviewed and amended in terms of the approval of the Board of Directors in their meeting held on 21st June, 2021 and May 16, 2024

1. PREAMBLE:

1.1 INTRODUCTION:

This document outlines the "Corporate Social Responsibility (CSR) Policy" of Info Edge (India) Limited ("the Company"), which details all social responsibility initiatives and actions which may be undertaken by the Company aimed at the greater good of society. In accordance with the recommendations made by the Company's Corporate Social Responsibility (CSR) Committee, our Board endorses the strategy and direction outlined in this policy. In addition, it contains guidelines for selecting, implementing and monitoring of CSR activities along with strategies to create/formulate the annual action plan.

This policy is framed in accordance with the following framework provided by Ministry of Corporate Affairs, Government of India:

- Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), enumerates the provisions regarding CSR,
- Schedule VII of the Act, indicates the activities to be undertaken by the Company under CSR, and
- Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and 2022 (hereinafter referred to as "CSR Rules") prescribe the manner in which Company shall comply with CSR provisions of the Act or the rules as may be amended from time to time.

1.2. APPLICABILITY:

Info Edge CSR Policy outlines the Company's philosophy & the mechanism for undertaking socially impactful programmes for welfare, and sustainable development of the community at large as part of its duties as a responsible corporate citizen. This policy shall be applicable to all social responsibility projects, and endeavors undertaken by the Company.

1.3. VISION & OBJECTIVES:

CSR, according to the Company, involves the integration of social, environmental, and economic considerations into daily corporate operations. CSR entails conducting the Company's operations in a way that satisfies or surpasses the moral, legal, commercial, and societal expectations held by the public regarding businesses. In alignment with the Company's objectives and vision, Info Edge will continue to advance value creation within communities through its services, responsible conduct, and activities as part of the CSR initiatives, while fostering continuous and inclusive growth for society.

1.3.1 OBJECTIVES:

- 1) To lay down guidelines for the Company to operate its business in an economically, socially & environmentally sustainable manner.
- 2) To contribute to society at large by way of social development, by imparting education, training and skill enhancement programs to the under privileged section of the society, fostering their development and generation of income.
- 3) To reinforce a positive and socially responsible image of the Company in the society.

1.4. DEFINITIONS:

1. **“Administrative overheads”** means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
2. **“Ongoing Project”** 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.

2. RESOURCES:

2.1. FUNDING & ALLOCATION:

- 1) For achieving its CSR objectives, Info Edge will allocate a minimum of 2% of its average net profit as per its financial statements prepared in accordance with the applicable provisions of the Act made during preceding three financial years, as its “Annual CSR Budget”.
- 2) The Annual CSR Budget shall also include any income arising on the net amount allocated under (1) above as well as any surplus arising out of CSR activities. The surplus arising out of CSR activity shall not form part of the business profits of the Company but shall be utilized only for CSR purposes by ploughing back into the same project or shall be transferred to the unspent CSR Account in accordance with the CSR policy or annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months from the end of the financial year.
- 3) Any unspent amount pursuant to the ongoing CSR projects undertaken by the Company, shall be transferred to a special account called the Unspent CSR Account, within 30 days from the end of the financial year. This special account can be opened by the Company at any scheduled bank, and the unspent amount in that account shall be spent by the Company in accordance to the Company’s CSR policy within 3 years from the time of transfer. If the Company fails to spend the earmarked amount in the aforementioned time, then the Company shall transfer the amount to any of the funds mentioned in Schedule VII within 30 days at the end of third year from the time of initial transfer.
The Company shall disclose the reasons for not fully utilizing the budget allocated for CSR activities for each year in its Directors’ Report.
- 4) Up to 5% of the Annual CSR Budget may be earmarked for administrative overheads/expenditure to be incurred on, on capacity building programs such as personnel, training, workshops, seminars, conferences, etc. and on corporate communication strategies for engagement of all stakeholders, whether internal or external, to implement the CSR Policy of the Company.
- 5) If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the immediately succeeding three financial years subject to the compliance with the applicable rules and with the approval of the Board, on the recommendation of the CSR Committee.

- 6) The Company shall not exceed 2 % of total CSR obligation for the relevant financial year or ₹50 lakh whichever is higher, to undertake impact assessment by an independent agency for projects that have been completed not less than 1 year before undertaking impact assessment.

2.2. ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- a) The CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
- b) Utilization of funds and schedule of implementation for the projects or programmes;
- c) The manner of execution of such projects or programmes;
- d) Monitoring and reporting mechanism for the projects or programmes; and
- e) Impact assessment, if any, for the projects undertaken by the Company.

The Board may alter such Annual Action plan at any time during the financial year, as per the recommendation of CSR Committee, based on a reasonable justification to that effect.

3. AREAS OF FOCUS:

3.1. IDENTIFICATION OF FOCUS AREAS AND STRATEGIC INITIATIVES:

From the total amount available of the Annual CSR Budget, the Company shall strive to contribute towards the following activities, on a year-on-year basis:

- 1) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects.
 - i. Construction/repair of school, college & other educational buildings & facilities including special education facilities.
 - ii. Provision of uniforms, books, stationery, computer & Laboratory equipment and other infrastructural facilities, to schools, colleges, universities etc.
 - iii. Scholarships/fellowships to deserving students to encourage education. Promote computer literacy and technology assisted learning.
 - iv. To promote technical/professional/medical education by giving financial assistance/opening institutions through Organizations/infrastructural support.
 - v. Self/Gainful employment Opportunities – Training of youth for Self-Employment. Vocational/technical/professional training for youth.
 - vi. Promoter enterprise development.
 - vii. To supplement the different programme of Local/State authorities.
 - viii. Strengthen the country's program by contributing towards non-partisan policy and other research.
 - ix. Setting up of research centers in colleges and universities.

- x. Towards special needs education and therapy for children facing developmental delays and education and skilling of Persons with Disabilities
- xi. Supporting key education ecosystem stakeholders such as teachers, school leaders and principals etc. in training and leadership development
- xii. Imparting leadership skills, socio-emotional skills and promoting equity in education.
- xiii. Any other program towards ensuring quality education for the underprivileged

2) The above list of activities is illustrative and not exhaustive.

3) The CSR Committee may consider CSR activities not falling in the above list subject to the condition that such activities relate to the subjects enumerated in Schedule VII of the Act and any amendments made therein from time to time.

4. PROJECTS AND PROGRAMS:

The CSR team may identify and recommend to the Committee projects which may be designated as an Ongoing Project or other than Ongoing project(s), and such project(s) shall be selected, implemented, monitored and reported in accordance with the applicable CSR Provisions.

5. IMPLEMENTATION:

5.1. ORGANIZATIONAL MECHANISM:

- i. The Board shall constitute a CSR Committee, including at least one Independent Director and the composition of the CSR Committee shall be disclosed on the Company's website.
- ii. The Board shall approve the CSR Policy of the Company after considering the recommendations made by the CSR Committee.
- iii. Approval of the Annual Action Plan by the Board after taking into account the recommendations made by the CSR Committee and approval of alteration to Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.
- iv. The CSR Committee shall formulate and recommend to the Board the CSR Policy and the changes thereafter. The CSR team is required to notify to the CSR committee the updates on CSR policy from time to time to incorporate any changes in the law, suggested by the MCA.
- v. It is the CSR Committee who shall recommend to the Board the activities that should be taken by the Company annually, in the form of Annual Action Plan. The CSR Committee is responsible for monitoring the activities from time to time, reviewing the progress of the project including the disbursement of amount and activities carried out by the CSR team and the agencies hired by them.
- vi. The CSR team is responsible for preparing the details of the CSR Projects /programs approved by the board to be published on the Company's website.

- vii. The CSR Committee shall be responsible in ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the 3 (three) immediately preceding financial years in pursuance of the CSR Policy.
- viii. The Company to give preference to the local areas around its operations for spending the amount earmarked for CSR projects.
- ix. The CSR team shall ensure that the administrative overheads of the Company are not more than 5% of the total CSR expenditure. The expenses shall be reviewed by the CSR Committee.
- x. The CSR Team shall be ensuring that the funds so disbursed have been utilized for the purposes and in the manner as approved by the Board / CSR Committee and the Chief Financial Officer of the Company shall certify to the effect.
- xi. The CSR Committee in addition to the above activities, shall discharge its duties in accordance with the activities of CSR Committee as mentioned in the section 135 of the Companies Act, 2013.
- xii. Approval for transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of Company shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same. The Accounts and Finance Team of Company shall deal with the unspent in following manner:

Nature of unspent amount	Action required	Timelines
Unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the Company to be called as 'Unspent CSR Account'.	Within 30 days from the end of the financial year.
Unspent amount pertains to 'other than ongoing projects'	Transfer unspent amount to any fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

- xiii. The Board shall be responsible to ratify the ledger of spent and unspent amount of the CSR budget. In case the company fails to spend the requisite amount within the financial year, it shall fulfil its obligation by transferring the unspent amount to any fund included in Schedule VII of the Act. The same will be considered as compliance with section 135(5) of the Act. The Board shall disclose the requisite disclosure in the Board report and annual report on CSR.
- xiv. In case of ongoing project, the Board shall monitor the implementation of the said project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the said project within the overall permissible time period.
- xv. The CSR Committee shall review the effectiveness and achievement of project activities in line with the project/program objectives. The CSR Committee shall be responsible for reviewing the Social Impact Assessment reports and present the same to the Board.
- xvi. A Registered Trust/Registered Society/Section-8 Company may also be established by the Company to implement all or specific project/activity. In the managing body of such trust/society adequate representation shall be from Info Edge.

- xvii. The Board of the Company shall also satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- xviii. The Board has the prerogative to decide on the eligibility criteria for selection of the independent agency for impact assessment, as and when the Company gets obligated to do so.
- xix. Depending on the progress of the Project, the CSR team may re-allocate part of the budgets as per need through the year if the project remains the same.
- xx. The CSR Committee shall also recommend to the Board, the activities related to CSR that would be reported annually on the Business Responsibility and Sustainability Report (BRSR) and the Annual Report.

5.2. CONSIDERATION OF PROPOSALS AND ALLOTMENT OF FUNDS:

The broad guidelines for consideration of proposals and allotment of funds are as follows:

- a) Individual proposals must fit within the framework of the CSR Policy of the Company.
- b) Every proposal must be in a project mode. This involves defining activities, time frame, financial requirement, organizational responsibilities, outcome/expected results and sustainability aspects. The person designated by CSR Committee, will evaluate the proposals and give their recommendations.
- c) The proposals as above will be put before the CSR Committee at the beginning or from time to time of each financial year along with the aforesaid recommendation.
- d) The releasing of funds in a phased manner and submission of periodical status report on utilization thereof shall be clearly defined in the MoU to ensure proper utilization before release of further instalments or continuous disclosures of utilizations and status update in case of one-time disbursement.

5.3. EXECUTION OF CSR PROJECTS:

1. By Company:

- a) The activities which can be implemented by the Company either directly or by engaging contractors shall be taken up itself.
- b) The periodical activities such as distribution of uniforms, consumables etc. to schools or NGOs etc. and granting scholarships etc., may also be taken up by the Company itself.
- c) For the purchase of materials connected with CSR activity same procedure shall be followed as is followed for purchases done for captive consumption.

2. By NGOs/Trusts/ Section-8 Companies:

- a) The project proposals requiring a dedicated team and full-time attention shall be considered for implementation through reputed NGOs/Trusts engaged in similar activities.
- b) The NGOs/Trusts shall have a proven performance track record of at least 3 years.

- c) The NGOs/Trusts shall be registered with the Central Government or the concerned authority and also under section 12A and 80G of the Income Tax Act and must have obtained a valid CSR Registration number from Ministry of Corporate Affairs, Government of India post filling Form-1
- d) NGOs/Trusts as aforesaid may also approach Company with specific proposals in the field of their expertise, within the purview of CSR Policy of the Company.

6. MONITORING & FEEDBACK:

- 1) All CSR projects shall be monitored directly or indirectly by the Company. The monitoring strategy shall be as follows:
 - i. Projects directly taken up by the Company shall be monitored by the Company.
 - ii. Projects taken up through NGOs/Trusts/Section-8 Company shall be monitored jointly by the representatives of both the Company and such NGO/Trust/Section-8 Company.
 - iii. At times the representative of the Company may also independently review the performance of the projects. The Company reserves the right to get social and/or financial audit done for any of the projects supported by the CSR funds of the Company on its own or through independent third party/ies.
- 2) The respective monitoring teams above shall be responsible for providing periodic progress reports to the Company. Such teams will ensure that the project gets completed within the specified time period. The Company may also appoint specialized agency/consultants for monitoring the projects, if required.
- 3) The progress report of the projects undertaken shall be reported as under:
 - i. The CSR team of the Company shall make an annual report to the CSR Committee.
 - ii. The CSR Committee shall present an annual report on the performance of all projects/activities to the Board of Directors.
- 4) The impact assessment would be conducted by an external agency, particularly for larger projects having outlays of Rs. 1 Crore or more and which have a significant social or economic impact, where the Company has a minimum average CSR obligation of Rs. 10 crore or more in the immediately preceding 3 financial years. The impact assessment study shall be conducted wherever applicable after the project completion and within 1 year of the completion of the project. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

The Impact assessment shall be carried out project-wise only if the Company satisfies the applicable conditions. In other cases, it may be taken up by the Company on a voluntary basis.
- 5) All CSR activities and expenditures made thereon shall be subject to audit by the auditors.

7. GENERAL:

- 1) Any or all provisions of the CSR policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Government, from time to time.
- 2) The Company reserves the right to modify, add, delete or amend any of the provisions of this Policy.
- 3) In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference shall be made to CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.
- 4) In the event of any conflict between the provisions of this Policy and of the Applicable Law, the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy.

9. Policy Implementation and Review

The CSR Committee is responsible for the implementation of this policy, and it will be subject to review by the Board, on the recommendation of the CSR Committee, as and when deemed necessary.