



# **AGS TRANSACT TECHNOLOGIES LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

❖ **CSR Mission/Vision Statement of AGS Transact Technologies Limited (AGSTTL/the Company)**

“Being a leading payments services provider to diverse industries in India and abroad, the Company endeavours to financially and socially transform lives of all its stakeholders by becoming a sustainable corporate citizen. The Company through this policy strives to enrich society, both materially and socially while contributing towards social upliftment and preservation of the global environment.”

❖ **Guiding Principles/Philosophy**

**Our commitment is to improve the management of our Company everyday to make it increasingly sustainable.**

***We are committed to: -***

- Getting involved in the **COMMUNITY** and **SOCIAL FABRIC** of geographies wherein we operate and work towards community development and social upliftment by promoting social business projects and providing aid wherever possible.
- Minimising **ENVIRONMENTAL** impact and being more efficient in consuming resources, prioritising reduction and reuse, preserving the environment of the natural areas where there are infrastructure we manage and using the best available technologies that are economically viable so that our activities and services are environmentally more efficient by undertaking renewable energy projects.
- Providing added value for **SHAREHOLDERS** by managing financial resources efficiently with criteria of profitability and value creation and offering transparent information to all relevant stakeholders.
- Providing **EMPLOYEES** and **MEMBERS OF SOCIETY**, equality of opportunity and non-discrimination because of gender, religion, country of origin, age, disability or sexual orientation in all areas; applying the necessary measures to ensure health and safety in all workplaces and guaranteeing respect for human rights, rejecting force or compulsory labour through disaster relief programmes, road safety initiatives, .
- Satisfying **CUSTOMERS** by offering **QUALITY** services adapted to their needs coupled with providing consumer protection services
- Prioritising relations with **SUPPLIERS AND CONTRACTED COMPANIES** incorporating sustainability criteria in each action.

❖ **The Regulatory Framework**

The Companies Act, 2013 (“the Act”) read with the Rules framed thereunder and Schedule VII to the Act provides a framework for companies to define the key thrust areas in the CSR space. Further, the Act also provides instructions on agencies eligible for implementation through which companies may spend its CSR Expenditure. The Company’s CSR Policy and the implementing agencies shall therefore remain within the boundary set by the said Act, Rules and the Schedule framed thereunder.

❖ **Constitution of the CSR Committee**

The CSR Committee shall include such number of Directors as its Members as appointed by the Board from time to time in accordance with the provisions of the Companies Act, 2013.

\*The Current composition of CSR Committee of the Company is as follows (Amended w.e.f. 28<sup>th</sup> February 2020):

Mr. Vijay Chugh	Chairman of the Committee
Mr. Rahul N. Bhagat	Member
Mr. Ravi B. Goyal	Member

❖ **Scope of the CSR Committee**

- Formulate and recommend to the Board, the Corporate Social Responsibility (CSR) initiatives of the Company together with overseeing their implementation.
- Recommend and review the amount of expenditure to be incurred on the aforesaid CSR activities out of the “AGSTTL - CSR Corpus”.
- Monitor, alter and amend the CSR Policy of the Company, as and when required.
- Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company in line with the CSR Policy.
- To discharge any other function as may be delegated to it by the Board and falling under the purview of the Company’s CSR Policy.

❖ **Implementation of CSR Policy**

The CSR projects will be implemented at local/regional/national level after the proposals have been cleared through a three stage clearance process i.e.

- Company Management - initial proposal for any CSR activity to be presented to the CSR Committee by Company management.
- CSR Committee - recommendation to the Board of Directors of viable projects.
- Board of Directors - final go-ahead & ensuring implementation of the approved CSR project.

Further, the CSR initiatives will be implemented in any of the following ways:

- Directly, or
- Through any other foundations, trusts, or a section 8 company (or erstwhile Section 25 company) or any other form of entity with a track record of at least three years in carrying out activities in related areas.
- Collaboration with other companies or institutions/associations for undertaking projects or programs for CSR activities.

❖ **Funds Allocation of AGSTTL CSR CORPUS**

The Company's CSR Corpus - "AGSTTL-CSR Corpus" for a given financial year (FY) would include at least 2% of the average Net Profit of preceding three financial years towards CSR activities (calculated as per the provisions of section 135 of the Companies Act, 2013 read together with the Companies CSR Policy Rules, 2014) with any surplus arising out of the CSR activities, both of which shall not form part of business profit of the Company.

In case the Company wants to set up a separate CSR department (internal capacity building) of the Company or create infrastructure for authorities who may help in implementing certain CSR activities, the budget for such exercise shall not exceed 5% of the total CSR budget in a year approved by the CSR Committee and Board.

❖ **CSR THEMES:**

The Company proposes to implement its CSR activities in some/all of the following areas as stated under Schedule VII of the Companies Act, 2013 (including all statutory re-enactments/amendments or modifications thereto, from time to time):


- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the 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 the 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 centres 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, 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 set-up 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 art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) contribution to any 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;
- (ix) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) rural development projects
- (xi) slum area development.

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.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

❖ **Impact Assessment of the CSR Policy:**

The Impact Assessment of the CSR Policy will be done by the CSR Committee or the Board of Directors annually basis contribution made by the Company. As per statutory guidelines, annual disclosures will be made in the Director's Report and on Company website.

 *The Company reserves the right to modify, alter, delete or amend the provisions of the CSR Policy (Adopted by the Board at their meeting held on 8<sup>th</sup> July, 2014 and amended thereafter from time to time).*