



**CORPORATE SOCIAL  
RESPONSIBILITY POLICY**

---

**COGENT E-SERVICES LIMITED**

## Table of Contents

<b>BACKGROUND .....</b>	<b>3</b>
<b>PREAMBLE .....</b>	<b>3</b>
<b>VISION STATEMENT AND APPLICABILITY .....</b>	<b>3</b>
<b>DEFINITION AND INTERPRETATION .....</b>	<b>4</b>
<b>CSR ACTIVITES AND FOCUS AREAS .....</b>	<b>5</b>
<b>ACTIVITIES NOT CONSIDERED AS CSR.....</b>	<b>7</b>
<b>CSR ALLOCATION .....</b>	<b>7</b>
<b>BUDGETS AND EXPENDITURES .....</b>	<b>7</b>
<b>IMPLEMENTATION OF THE CSR POLICY .....</b>	<b>8</b>
<b>CSR COMMITTEE.....</b>	<b>9</b>
<b>ROLES &amp; RESPONSIBILITIES OF BOARD &amp; CSR COMMITTEE .....</b>	<b>9</b>
<b>DISBURSEMENT .....</b>	<b>10</b>
<b>REPORTING AND RECORD KEEPING.....</b>	<b>11</b>
<b>AMENDMENTS / MODIFICATION TO THE POLICY .....</b>	<b>11</b>

## **BACKGROUND**

In conformity with requirements laid down under The Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as “the CSR Rules”) issued by the Ministry of Corporate Affairs (“MCA”), under Section 135 of the Companies Act, 2013 (“the 2013 Act”) a CSR Policy, was adopted by the Board of Directors on July 06, 2018.

Consequent to amendments made by MCA to the 2013 Act, vide the Companies (Amendment) Act, 2020, (“CAA, 2020”), and CSR Rules vide the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“CAR 2021”), the Board adopted this amended Policy on 13<sup>th</sup> January 2022 on the recommendation of its CSR Committee. The Policy can be downloaded from the website of Company at [www.cogenteservices.com](http://www.cogenteservices.com).

## **PREAMBLE**

A socially responsible organization cannot, and does not, limit itself to merely increasing its own profits. Neither does it treat corporate social responsibility as a burden to be borne, but instead, believes it to be one of the fundamental duties of an organization towards society. CSR is a way of conducting business, by which a corporate entity visibly contributes to the social good.

Cogent E-Services Private Limited (the “Company” or “Cogent”) believes in Principles of “Serving Society through Industry”. It aims to achieve, consolidate, and strengthen good corporate entity including socially and environmentally responsible business practices that balance financial profit with social well-being

Hence, as a corporate entity, we at Cogent strive at every stage to integrate the larger economic, environmental and social objectives with our core operations and growth. We endeavour to evolve our relationship with all our stakeholders for the common good, and validate our commitment in this regard by adopting appropriate business processes and strategies. The Company’s focus has always been to contribute to the sustainable development of society and the environment, and to make our planet more liveable for future generations.

## **VISION STATEMENT AND APPLICABILITY**

1. Under the CSR vision of “Serving Society through Industry”, Cogent strives to actively contribute to the social and economic development of the communities in which Cogent operate. The aim is to build a better, sustainable way of life for the weaker sections of the society and helping them to live a better life full of possibilities, while preserving the environment.

2. Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, in the event that the Company fails to meet the thresholds set out under Section 135(1) of the 2013 Act for three consecutive financial years, it shall not be required to:
- i. Constitute/maintain the CSR Committee; and
  - ii. Comply with the provisions of this CSR Policy
- till such time as it again meets the criteria specified in Section 135(1) of the 2013 Act.

## DEFINITION AND INTERPRETATION

**“Board”** means Board of Directors of the Company

**“Company” or “Cogent”** means Cogent E-Services Limited

**“CSR Activities”** means projects/programs/activities to be undertaken by Cogent in India, pursuant to this Policy and Section 135 and Schedule VII of the Act read with CSR Rules as amended from time to time.

**“CSR Committee”** means a committee constituted by the Board in terms of Section 135 of the Act and the CSR Rules.

**“CSR Expenditure”** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.

**“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**“Director”** means a member of the Board of the Company.

**“Policy”** means this CSR policy of Cogent which relates to the activities to be undertaken by Cogent pursuant to section 135 and schedule VII of the 2013 Act and matters incidental thereto including the expenditure thereon.

**“Net Profit”** means net profit as defined in the CSR Rules.

**“Stakeholder”** means and includes:

- local community;
- employees/ faculties;
- shareholders;
- suppliers/vendors/consultants;
- contractors;
- service providers;

- Any other person including workers involved in allied activities of the Company or category of persons, as may be prescribed in the 2013 Act and/or by the CSR Committee including society at large.

Words and expressions not defined in this Policy shall have the same meaning as contained in the 2013 Act read with the CSR Rules.

## CSR ACTIVITES AND FOCUS AREAS

Focus areas: As a responsible corporate citizen, the company is Committed to sustainable development and inclusive growth and has been focusing on a wide range of critical issues in relation to social, environmental, and economic needs of the marginalized/underprivileged sections of the society. We had adopted an approach that has integrated the solutions to the problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

The Company would focus on development of five thrust areas: -

Education	<ul style="list-style-type: none"> <li>•Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; monetary contributions to academic institutions for activities such as establishing endowment funds, laboratories, sponsorships to poor children etc. with the objective of assisting students in their studies and/or run library, computer centre, digital education infrastructure, internet kiosks, building school infrastructure or internet access for purpose of education;</li> </ul>
Hunger, poverty, malnutrition and health	<ul style="list-style-type: none"> <li>•Eradicating hunger, poverty and malnutrition through any means, 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; supporting livelihood for those who is impacted by pandemic etc.</li> </ul>
Sports	<ul style="list-style-type: none"> <li>•Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports</li> </ul>
Environmental sustainability	<ul style="list-style-type: none"> <li>•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, adoption of parks / nurseries</li> </ul>
Rural Development	<ul style="list-style-type: none"> <li>•we beleive that well being of people living in rural areas ensures sustainable development. We will work with local adminstration to achieve community development goals. We will partner with government and NGO's and support them in providing infrastructure such as road constructions, providing drainage system and electricity and rehabilitating natural disaster affected victims in rural areas.</li> </ul>

Besides, it will also undertake following CSR Activities as specified under Schedule VII (including amendments from time to time) as of the 2013 Act:

- i. 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.
- 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, 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) 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;
- ix. (a) 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  
(b) 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).

- 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.

## **ACTIVITIES NOT CONSIDERED AS CSR**

The following shall "not be" considered as CSR activities:

- The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.
- One-off events such as marathons/ awards/ charitable contribution/ advertisement/sponsorships of TV programmes etc. would not be qualified as part of CSR expenditure.
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.) would not count as CSR expenditure under the Companies Act.
- Contribution of any amount directly or indirectly to any political party shall not be considered as a CSR activity.
- Activities undertaken by the company in pursuance of its normal course of business.

## **CSR ALLOCATION**

The CSR Allocation for a financial year shall include – (a) at least 2% of the average Net Profits of the Company for the last three financial years; (b) any income arising from CSR Activities; (c) surplus arising out of CSR Activities; and (d) any contribution specifically received for CSR Activities.

It is further clarified that any surplus arising out of CSR Activities shall not form part of the business profits.

## **BUDGETS AND EXPENDITURES**

- a) Cogent shall allocate a budget towards any of the CSR activities falling within the purview of the objectives of this Policy.
- b) The CSR expenditure shall include all actual expenditures including contribution to corpus or on project or programs relating to CSR activities recommended by the CSR Committee and approved by the Board of Directors.
- c) The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- d) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus

amount to a Fund specified in Schedule VII of the 2013 Act, within a period of six months of the expiry of the financial year.

- e) Where a company spends an amount in excess of requirement provided under the 2013 Act, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial year's subject to the conditions as specified under the 2013 Act.
- f) The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by -
  - o a company established under section 8 of the Act, or a registered public trust or registered society, having charitable objects and CSR Registration Number
  - o beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - o a public authority.

## IMPLEMENTATION OF THE CSR POLICY

1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the 2013 Act and CSR Rules.
2. Modes of Implementation: The CSR Activities may be undertaken by the Company directly or through:
  - a. a company established under section 8 of the 2013 Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other company, or
  - b. a company established under section 8 of the 2013 Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
  - c. In collaboration with other companies or NGOs
  - d. Direct contribution / implementation of any project approved by CSR committee/Board
  - e. Contribution to 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.

Provided that every entity, covered under *sub-clause (a) and (b) above*, who intends to undertake any CSR Activity, shall be registered with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies.

*(the entities referred to under sub-clause (a) and (b) above, are hereinafter referred to as "Implementing Agencies")*.

3. The Board shall empower the CSR Committee to finalize, approve and execute various agreements, deeds, writings, confirmations, undertakings or other documents, as may be necessary, under the Common Seal of the Company or otherwise, with any party including Implementing Agencies and/or others for the purposes of the CSR Policy and accept modifications, changes and amendments to any such documents/ agreements as it may deem fit.



## **IMPACT ASSESSMENT**

Mandatory impact assessment will be undertaken as per the criteria specified under applicable law, and that the impact assessment reports will be placed before the Board and disclosed as per the Act and CSR Rules.

## **CSR COMMITTEE**

1. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the 2013 Act and the CSR Rules.
2. The CSR Committee shall consist of at least three directors of the Company, out of which at least one director shall be an independent director.
3. The number of members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.
4. The CSR Committee shall hold meetings which shall be attended by minimum of two members of the Committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.
5. All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee for their inputs and the final decision/determination/ interpretation shall rest with the Board.
6. No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

Provided that where the CSR amount to be spent by the Company does not exceed fifty lakh rupees, the requirement as specified under 2013 Act for constitution of the CSR Committee shall not be applicable and the functions of such Committee provided under this Policy shall, in such cases, be discharged by the Board of the Company.

## **ROLES & RESPONSIBILITIES OF BOARD & CSR COMMITTEE**

Operational responsibility to the CSR programs, implementation of the scheduled programs and annual operating plans resides with Cogent 's senior management which will be led by the CSR Committee. Following have crucial roles in implementing and monitoring CSR policy:

### **A. Board of Cogent:**

The Board of Cogent will be responsible for:

- constitution of the CSR Committee comprising of such number of members as the Board may deem fit and necessary for performing the functions as mandated under this policy;
- approval of the CSR Policy after considering recommendations of CSR Committee;
- ensuring that the activities as included in CSR Policy are undertaken by Cogent;
- satisfy itself that the funds so disbursed have been utilised 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.
- disclosing the content of the Policy in its report and ensuring its placement on Cogent 's website, whenever available, in such a manner as prescribed under the 2013 Act read with the CSR Rules;
- ensuring that Cogent spends, in every financial year, at least 2 percent of the average Net Profits made during the three immediately preceding financial years, whenever applicable;
- ensuring that Cogent gives preference to the local areas around its operations for spending the amount earmarked for CSR projects;
- ensuring that it specifies the reasons in its report for not spending the earmarked amount in case it to spend such amount and, unless the unspent amount relates to any ongoing project, transfer an unspent amount to a Fund specified in Schedule VII of 2013 Act, within a period of six months of the expiry of the financial year;
- 
- support the CSR Policy implementation by giving it visibility under adequate, timely and impactful communication.

#### **B. CSR Committee**

- Formulation and recommendation to the Board, of a CSR Policy;
- recommendation of CSR activities / programs to be undertaken by Cogent under the Policy, reviewing and approving the annual budget thereon;
- meet at such intervals as may be required or expedient;
- monitor the CSR Policy from time to time;
- formulate and recommend to the Board, an annual action plan in pursuance of the CSR Policy including:
  - ❖ the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the 2013 Act;
  - ❖ recommend the amount of expenditure to be incurred on such CSR projects or programmes
  - ❖ the manner of execution of such projects or programmes
  - ❖ the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - ❖ monitoring and reporting mechanism for the projects or programmes; and
  - ❖ details of need and impact assessment, if any, for the projects undertaken by the Company;

## **DISBURSEMENT**

The disbursement of funds for CSR Activities / programme / project will be in one or more tranche depending upon the nature and requirement of project.

## **REPORTING AND RECORD KEEPING**

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The Board's report of the Company shall include an annual report on CSR containing the particulars set out under the 2013 Act and the CSR Rules from time to time.
3. The Board will be responsible to ensure that:
  - The report of the Board includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the 2013 Act and the CSR Rules;
  - The contents of the latest and updated version of the CSR Policy is included in the report of the Board;
  - The contents of such policy are also made available on the website of the Company
  - In case of failure to ensure the minimum CSR Expenditure, detailed reasons for the same are adequately disclosed in the Board Report.

## **AMENDMENTS / MODIFICATION TO THE POLICY**

The Board on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required or deemed fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

The provisions of this CSR Policy would be subject to revision/amendment in accordance with the provisions of the 2013 Act, as may be issued from relevant statutory authorities, from time to time.