

# **Nearby Technologies Private Limited**

## **Policy on Corporate Social Responsibility**

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## Contents

<b>Para No</b>	<b>Index</b>	<b>Page No.</b>
1.	Preamble .....	2
2.	Definitions .....	2
3.	Objective.....	3
4.	Key Thrust Areas.....	3
5.	Implementation of CSR Activities / Projects / Programs.....	4
6.	Annual Action Plan .....	4
7.	CSR Expenditure .....	4
8.	Monitoring, Reporting and Disclosure Requirements.....	5
9.	Authority to make amendments .....	6

## 1. Preamble

As a responsible Corporate Citizen, Nearby Technologies Private Limited has always strived to make positive change in the society. Accordingly, the Board of Nearby Technologies Private Limited (“Company”) in their meeting held on August 03, 2023 has adopted a policy on corporate social responsibility (hereinafter referred to as the “CSR Policy”/ “Policy”), as per the recommendation made by the Corporate Social Responsibility Committee of the Company.

The CSR Policy of the Company is applicable to all CSR projects/programs that the Company may or will undertake in future, in accordance with Section 135 of the Companies Act, 2013 read with the rules made thereunder.

## 2. Definitions

For the purposes of this policy

“**Act**” shall mean the Companies Act, 2013 and shall include any amendments made thereto.

“**Average net profit**” shall be net profit of the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013.

“**Corporate Social Responsibility (CSR)**” shall mean the various social activities undertaken by the Company pursuant to Section 135 of the Act and in accordance with the provisions of this Policy, but shall not include the following namely: -

- i. activities undertaken in pursuance of normal course of business of the company;
- ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- iii. contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- iv. activities benefitting employees of the company as defined in Section 2(k) of the Code on Wages, 2019;
- v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;

“**Corporate Social Responsibility Committee**” or “**CSR Committee**” or “**Committee**” shall mean a Committee of the Board of Directors of the Company constituted pursuant to Section 135 of Companies Act, 2013 or any other regulations as may be applicable.

**“Company” or “NBT”** shall mean Nearby Technologies Private Limited, wherever it is referred to in the policy.

**“Board”** means Board of Directors of Company/ NBT.

**“Key Thrust Area”** shall mean the areas identified under this policy (Clause 4) to be the focus areas for undertaking various CSR Programs.

**“Minimum spending requirement”** shall mean the minimum amount to be spent on CSR activities as prescribed under section 135 of the Companies Act 2013, and the rules made thereunder.

**“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;

**“Policy”** shall mean the Policy on Corporate Social Responsibility of NBT

**“Rules”** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall include any amendments made thereto.

### 3. Objective

This Policy envisages:

- To lay down guidelines to embed CSR as an integral part of the business of the Company.
- To undertake various CSR projects/programs as identified under the Thrust Areas of this Policy, so as to enhance the quality of life and economic well-being of the communities around the localities in which the Company operates and/or proposes to carry business.

### 4. Key Thrust Areas

For the purpose of this Policy, the Company shall focus primarily on following areas, while driving it's CSR projects/activities.

- i. promoting education and employment enhancing vocation skills especially among elderly livelihood enhancement projects.
- ii. give shelter to homeless, destitute, oppressed, abused, helpless, abandoned, mentally and physically sick, injured, infected, old aged, and dying condition people.
- iii. promote sustainable livelihood for Persons with Disabilities (PwDs) by providing them with industry leading training and mentoring and post training placement opportunities in retail and allied sectors.
- iv. scholarships, educational support, and mentoring, to empower girls to pursue their dreams

- v. Through thematic analysis, the research will provide insights into why women choose social commerce, the challenges they face, the range of offerings, their aspirations, and the economic and personal impacts.

## **5. Implementation of CSR Activities/Projects/Programs**

Subject to recommendation by the CSR Committee and approval by the Board, the CSR Project/Program, may be undertaken by the Company either by itself or through other entities, as follows –

- (a) a company established under Section 8 of the 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 Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) a company established under Section 8 of the 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.

Note: For the purpose of engaging other entities as referred above, the company shall tie up with only those other entities, which are registered with the Central Government pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014

## **6. Annual Action Plan**

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

- a) the list of CSR projects or programmes (as selected from the Key Thrust Areas) proposed to be undertaken by the Company;
- b) the manner of execution of such projects or programmes;
- c) the modalities of utilisation of funds and implementation schedules for the said projects or programmes;
- d) monitoring and reporting mechanism for the said projects or programmes; and
- e) details of need and impact assessment, if any, for the said projects.

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

## **7. CSR Expenditure**

CSR expenditure shall include all kinds of expenditure towards CSR Projects including creation, acquisition of capital assets, contribution to corpus of CSR projects or programs as approved by the Board on the recommendation of the CSR Committee. Expenditures falling outside the scope of the Key Thrust Areas,

shall not be considered as CSR expenditure under this Policy. It may be noted that the administrative overheads for any financial year shall not exceed five percent of total CSR expenditure of the company for the respective financial year.

The prescribed minimum amount to be spent on CSR (at present 2% of average net profits) shall be calculated in accordance with the provisions of the Act and Rules made thereunder. However, the Board, on the recommendation of CSR Committee, can approve higher amounts, as it may deem fit, from time to time.

If the Company spends in excess of prescribed minimum amount, such excess amount may be set off in three immediately succeeding financial years or such more number of financial years, as may be prescribed in the Act from time to time. The Board shall pass necessary resolution to this effect, in the absence of such resolution, the entire amount shall be considered to have spent for the same financial year only.

Subject to above, and, unless the unspent amount relates to any ongoing project undertaken by the Company, the Company shall transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of this Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the “Unspent Corporate Social Responsibility Account”, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Notwithstanding above, any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be either:

- a) ploughed back into the same project or
- b) shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or
- c) be transferred to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year.

## **8. Monitoring, Reporting and Disclosure Requirements**

The CSR Committee shall meet periodically inter alia to review the progress of CSR Projects/ Programs as per the Annual Action Plan approved by the Board and report to the Board in case of any deviations, shortcomings etc.

The Board from time to time satisfy itself that the CSR amount so disbursed has been utilized for the purpose, for which it was approved. The Chief Financial Officer or the person responsible for financial management shall certify to the Board/CSR Committee, at regular intervals, that the CSR funds have been utilized for the purposes and in the manner as approved by the Board.

In the event of Company having average CSR obligation of ten crore rupees or more in three immediately preceding financial years, the Board shall undertake impact assessment, through an independent agency, of the CSR Projects having outlay of one crore rupees or more and which have been completed not less than one year before undertaking the impact study. However, without regard to the above said prescribed average CSR obligation, but subject to other conditions, the Board may voluntarily undertake the impact assessment of any of the CSR projects, as it deem fit.

All disclosures, display and reporting requirements related to CSR shall be made in accordance with the provisions of the Act and the Rules made thereunder, as prevailing from time to time.

#### **9. Authority to make amendments**

The CSR Committee shall have the right to make recommendations to the Board with regards to any amendment to the policy and the Board shall have the power to make any amendments to the Policy as it deems fit from time to time, provided that the Policy continues to be in line with the requirements under the Section 135 of the Act and the Corporate Social Responsibility policy rules made there under, for the time being in force.

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