

BOTLAB DYNAMICS PRIVATE LIMITED (“BotLab”)
CORPORATE SOCIAL RESPONSIBILITY (“CSR”)
POLICY 2024

PREAMBLE

As a responsible corporate citizen, BotLab is committed to creating a positive impact to the environment in which it operates. Our approach is to integrate the activities in community development, social responsibility and environmental responsibility and encourage each investee companies/business unit to include these considerations into its operations.

This policy is in line with Section 135 of the Companies Act, 2013 (“Act”) and The Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”) and will apply to all projects/programs undertaken as part of the BotLab’s CSR activities and will be developed, reviewed, and updated by reference to relevant codes of corporate governance, best practices and international standards. This “Corporate Social Responsibility Policy” shall be effective immediately upon approval by the Board and will supersede and replace the existing policy. As per the provisions of the Act, the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

STATUTORY PROVISIONS

The provisions of Section 135 of the Act read with the Companies CSR Rules as, amended, require every company:

- a) having net worth of rupees five hundred crore or more, or
- b) turnover of rupees one thousand crore or more or
- c) a net profit of rupees five crore or more

during the immediately preceding financial year to undertake Corporate Social Responsibility (CSR) activities as specified under schedule VII of the Act.

As per the provisions of Section 135(5) the company shall spend, in every financial year, **at least two percent of the average net profits of the company** made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

GOVERNANCE FRAMEWORK

BotLab's Board will constitute the Corporate Social Responsibility Committee (CSR Committee) subject to the CSR expenditure crossing 50 Lakh in any year in accordance with the Act and CSR Rules. The functions of the Board/CSR committee shall be:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subjects specified in Schedule VII of the Act;
- recommend the amount of expenditure to be incurred on the activities referred to in the clause above; and
- monitor the Corporate Social Responsibility Policy of the company from time to time.
- Any other matter/thing as may be considered expedient by the members/Board in furtherance of and to comply with the CSR Policy of the Company and/or specified under the Act and the Rules.

CSR BUDGET

The overall amount to be committed to CSR will be approved by the Board on recommendation of CSR Committee (If any). In the financial year in which Section 135 of the Act is applicable, BotLab shall spend an amount not less than two percent of its average net profit for the preceding three years, on CSR activities to be undertaken by the company as specified in Schedule VII of the Act as approved by the Board. For this purpose, the average net profit will be calculated in accordance with the provisions of Section 198 of the Act or otherwise as stipulated under the Act and/or the related/amended rules from time to time.

AREAS OF CSR INTERVENTION

The BotLab plans to undertake in all the activities pursuant to the schedule VII, mainly in the areas mentioned below:

- Research and development projects in the field of science, technology, engineering and medicine
- Financial Literacy and Inclusion, Skill Training and Livelihood Enhancement
- Promoting Education & Healthcare
- Environmental Sustainability

As per Rule 4 of (The Companies Corporate Social Responsibility Policy Rules, 2014) of Section 135 of the Act and the CSR Rules, below mentioned projects/programs/activities shall not be considered as CSR activities undertaken under Schedule VII of the Act:

- Projects, programs, or activities that benefit only the employees of BOTLAB or their families
- Activities undertaken in pursuance of normal course of business of BOTLAB
- Projects, programs, or activities undertaken outside India
- Contribution of any amount directly or indirectly to any political party

While approving any CSR project or programme, the Board of Directors of the Company shall determine, whether it will be an Ongoing Project or otherwise. Further while approving any CSR Project or programmer which will be treated as an Ongoing Project, the Board shall lay down the following:

- Estimated budget outlay on CSR project or programme during the course of its implementation
- Estimated budget outlay during every financial year.
- Manner of implementation

In case of multiple Ongoing Projects, Unspent CSR Account shall be opened for each project separately for better implementation.

In case of Ongoing Projects or otherwise, where during any financial year, the budgeted expenditure for that financial year is not spent fully as a result of which CSR obligation for that financial year is not fully met, then the unspent amount will be treated in accordance with provisions of the Act.

PLANNING AND IMPLEMENTATION PARTNERS

The Board or CSR Committee in consultation with the Board of Directors of the Company will identify suitable projects for implementation in line with the objects of the Company and requirements laid down under the Act.

These projects would be executed either directly by the Company and/or through CSR Partner(s)/ CSR Implementation Agency(ies) as permitted under the Rule 4(1) and Rule 4(1) of the Rules.

The CSR Committee shall lay out the manner in which external implementing agencies will be selected for undertaking CSR projects or programmes.

IMPACT ASSESSMENT

In case the Company's average CSR expenditure obligation is ten crore rupees or more, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have completed not less than one year. The Company may also voluntarily decide to undertake impact assessment of its CSR project in order to gauge the real benefits reaped by the beneficiaries of its projects.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Any expenditure incurred on impact assessment may also be booked towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

MONITORING OF FULFILMENT OF CSR

The Company Secretary shall be the Compliance Officer for ensuring compliance with requirements of Section 135 of the Act. He/she shall submit an annual report as at the end of March to the CSR Committee/Board, incorporating the following:

- CSR expenditure approved for the relevant financial year
- CSR expenditure actually incurred during the relevant financial year
- Status report, project-wise for the expenditure approved vs incurred
- Plan for the remaining part of the financial year
- Issues, if any

The report shall also include recommendation for the amount to be committed to CSR for the ensuing year (if eligible) and the manner of incurring the expenditure.

REPORTING & DISCLOSURE

Significant CSR activities and achievements will be reported as part of the Director's Report in the BotLab's Annual Report and also as per any other statutory and regulatory reporting requirements.

The CSR Policy of BotLab shall be placed on the website of the Company as per Section 135 (4) (a) of the Act.

The CSR Policy shall be placed on BotLab's website, and it shall be subject to review by the Board as needed, but within an interval of a maximum of two years.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time.
