

FINANCIAL SOFTWARE AND SYSTEMS PRIVATE LIMITED
REGD OFFICE: "SARADHA" GROUND FLOOR, NO.42, THIRD MAIN ROAD,
GANDHI NAGAR, ADYAR, CHENNAI - 600 020.
CIN:U52599TN1991PTC020361

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble:

- 1.1 The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues.
- 1.2 Further, Section 135 of the Companies Act, 2013 introduced Corporate Social Responsibility as a mandatory compliance requirement for certain companies.
- 1.3 With the rapidly changing corporate environment, Financial Software and Systems Private Limited ("FSS" or "Company") has adopted CSR for upliftment of the society.

2. Objective:

- 2.1 The objective of the CSR policy is to actively contribute to the social and economic development of the society.
- 2.2 FSS, being a pioneer in the e-payment domain, will strive to impart knowledge to the public for using ATMs & other technological innovations. Thus, through CSR Activities, FSS will make meaningful contribution to the success of financial inclusion initiative of the Government.

3. CSR Activities:

- 3.1 FSS shall implement certain CSR Activities listed out in the Schedule VII of Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, as approved by its CSR Committee of Directors ("CSR Committee").
- 3.2 The CSR Policy of the Company identified CSR Activities such as health, education, environment, eradication of hunger & poverty, women empowerment, enhancing vocational skills etc., as detailed below:

3.3 CSR Activities of the Company:

3.3.1 Health :

- ❖ Promoting health care and sanitation.
- ❖ Mother and child care, diet and nutrition etc.

3.3.2 Safe Drinking water supply

- ❖ Supply of drinking water to corporation schools.
- ❖ Digging/renovation of wells in local & rural areas.

3.3.3 Eradication of Hunger & Poverty

- ❖ Supply of food grains, food, clothing etc., to schools, orphanages, old age homes and other activities for poverty alleviation.

3.3.4 Promoting Education :

- ❖ Development of basic infrastructure support in primary and secondary schools.
- ❖ Sponsoring scholarships to the underprivileged children.
- ❖ Renovation of school buildings, construction of class rooms, libraries, auditoriums, toilets etc., in the schools located in local & rural areas.
- ❖ Providing education & training for enhancement of vocational skills.
- ❖ Organizing sessions for creating awareness to the public in the identified areas of banking operations (for spreading financial inclusion).

3.3.5 Environment :

- ❖ Organizing awareness sessions on environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- ❖ Green belt development for the villages, project sites including plantation of saplings.
- ❖ Development, construction and/or maintenance of public parks and other public places.

3.3.6 Sports - Training for the promotion of nationally recognized sports, paralympic sports, Olympic sports and rural sports.

3.3.7 Undertaking rural development projects

3.3.8 Providing contributions or funds to technology incubators located within academic institutions approved by the Central Government.

4. CSR Committee

4.1 The Board of Directors shall be the governing body for CSR Policy.

4.2 The Board at its meeting held on April 26, 2017, reconstituted the CSR Committee of Directors of the Company as given in para 4.2.1 below. Further, Executives of the Company named in para 4.2.2 below shall participate in CSR Committee Meetings as Permanent Invitees:

4.2.1 Members of the CSR Committee:

- ❖ Mr. Nagaraj V. Mylandla, Managing Director (Chairman of the Committee);
- ❖ Mr. C.N. Ram, Independent Director; and
- ❖ Mrs. Sharada Mylandla, Whole-time Director.

4.2.2 Permanent Invitees of the CSR Committee:

- ❖ Mr. Sivakumar G, Senior Vice President - Finance; and
- ❖ Mr. M.P. Suresh Kumar, Vice President - Legal & Company Secretary.

5. CSR Committee's Responsibilities:

Responsibilities of the CSR Committee would include the following:

- 5.1 Review the Corporate Social Responsibility Policy vis-à-vis CSR Activities and give recommendations for better implementation of CSR Activities.
- 5.2 Recommend the amount of expenditure to be incurred for various CSR Activities.
- 5.3 Monitor CSR projects/programmes/activities to be undertaken by the Company.
- 5.3 Monitor & amend CSR policy from time to time.

6. CSR Expenditure

6.1 In each financial year, FSS shall make its best efforts to spend at least 2% of its average net profits earned during the preceding three financial years.

7. Implementation

7.1 The Company's Management shall identify CSR projects/programs/activities in accordance with the CSR Policy and place them before CSR Committee for its review and approval.

- 7.2 The Company's Management shall implement CSR projects/programs/activities which have been approved by the CSR Committee and report to the Committee periodically.
- 7.3 The CSR Committee shall periodically report to the Board of Directors the CSR Activities implemented by the Company.
- 7.4 The Board shall make an overall review of CSR Policy vis-à-vis CSR Activities of the Company and render suitable advice to the CSR Committee.

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