

CORPORATE SOCIAL RESPONSIBILITY POLICY

Route Mobile Limited

POLICY EFFECTIVE FROM JULY 1, 2014

POLICY AMENDED ON MARCH 15, 2021

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1. Preamble

India is one of the fastest and largest growing economy in the world. With the growing development, India is also flooded with various social problems such as poverty, unemployment, illiteracy, power crisis, gender bias, and many more. To sustain economic growth and to overcome the effects of development and globalization, it becomes necessary for every citizen whether individual or corporate to take the responsibility of the people, society, environment and its resources in which we reside.

Here it immersed the need of Corporate Social Responsibility. Although the concept of Corporate Social Responsibility is not new in India, however, the Ministry of Corporate Affairs, Government of India notified the Section 135 of the Companies Act, 2013 which makes it mandatory for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility.

The concept of CSR rests on the ideology of give and take. Companies take resources in the form of raw materials, human resources etc. from the society. By performing the task of CSR activities, the companies are giving something back to the society.

Route Mobile Limited (Formerly known as Routesms Solutions limited) (hereinafter to be referred as "the Company") understands its responsibility towards the society and environment in which it operates, and is committed to operate and grow its business in a socially responsible way. The Board of Directors of the Company, at its meeting held on July 1, 2014, approved this policy pertaining to Corporate Social Responsibility.

2. Applicability

The CSR Policy shall apply to all CSR projects undertaken by the Company in India as per Schedule VII of the Act.

The CSR Policy shall be applicable to the Company.

3. Definitions

- a) "Act" means Companies Act, 2013 including any Statutory modification or re- enactment thereof;
- b) "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme
- c) "Board" means Board of Directors of the Company.

- d) “CSR Committee” means Corporate Social Responsibility Committee of the Board.
- e) “CSR Policy” means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- f) “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.
- g) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -
 - (i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
- h) “Rules” mean the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

4. CSR Committee

The Board of Directors of the Company shall constitute a committee called the "Corporate Social Responsibility Committee" ("CSR Committee") in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The CSR Committee will consist of 3 or more directors of which at least one shall be an independent director. The Board of Directors may change the composition of the CSR Committee from time to time in such manner as it thinks fit.

5. Frequency of Meetings

The Committee shall meet physically at least once a year and otherwise by audio or video conferencing, as may be required. Additional meetings may be held to ensure that the Committee take note of the CSR activities, the expenditure thereon as budgeted, the service level agreements with any NGO qualified to undertake CSR projects if required, and monitoring thereof.

6. Notice of Meetings

The Committee shall meet at such frequency as deemed fit but not less than the number of times as recommended under the Act. Further all provisions of the secretarial standards issued by the ICSI shall be applicable to the meetings of the Committee.

7. Functions and Responsibility of CSR Committee

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

- (a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) Monitoring and reporting mechanism for the projects or programmes; and
- (e) Details of need and impact assessment, if any, for the projects undertaken by the company;

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

8. CSR Expenditure

The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

9. CSR Activities

- i) “Corporate Social Responsibility” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the rules made thereunder, but shall not include the following, namely:-
 - i. activities undertaken in pursuance of normal course of business of the company:

Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

- (a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
- (b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board’s Report;

- 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 clause (k) of section 2 of the Code on Wages, 2019 (29 of 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;

CSR Activities shall further mean the list of CSR projects or programmes that are approved by the CSR Committee and recommended to the Board to be undertaken in areas or subjects specified in Schedule VII of the Act.

10. Mode of Carrying CSR Activities

The Company may carry out the CSR activities either on its own, or through a registered trust or registered society or through a company registered under Section 8 of the Companies Act, 2013 or through one or more of the modes in such manner as it deems fit. The CSR amount may be spent by a company for creation or acquisition of a capital asset in accordance with the Rules.

11. CSR Budget

The CSR Committee will abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. The CSR Committee shall formulate and recommend to the Board, an annual action plan.

12. Monitoring Process

CSR Committee shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. CSR Committee shall also determine the manner of submission of information, reports, files, etc. by third parties as a part of the monitoring process. CSR Committee shall ensure that a transparent monitoring mechanism is put in place. In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period. The Board shall 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 shall certify to the effect.

13. Amendment(s)

The Company or the Board reserves its right to amend or modify this Policy in whole or in part, at any time. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

14. Display of CSR activities on its website

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.
