



CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

JUSPAY TECHNOLOGIES PRIVATE LIMITED

[Pursuant to Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

OVERVIEW

As required under the provisions of Companies Act, 2013 (“Act”), Juspay Technologies Private Limited (“Company”) is pleased to announce its Corporate Social Responsibility Policy (“CSR Policy” or “Policy”).

This Policy sets out the Company’s approach and commitment to making a positive contribution to society. It reflects Company’s dedication to responsible business practices and outlines its initiatives to promote social welfare and sustainable development in the communities where it operates.

SCOPE AND APPLICABILITY

The CSR Policy has been developed in consonance with Section 135 of the Act and in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”), as amended from time to time. The CSR Policy shall apply to all Corporate Social Responsibility (“CSR”) activities undertaken by the Company in India either directly or through entities (“CSR Partners”) as mentioned in Rule 4 of the CSR Rules for the benefit of different segments of the society as per Schedule VII of the Act.

OBJECTIVE OF CSR POLICY

The objective of this CSR Policy is to outline Company’s approach to Corporate Social Responsibility in alignment with its values and commitment to inclusive growth and sustainable development. The policy aims to:

- (i) Identify and define the core focus areas in which the Company shall undertake its CSR initiatives;
- (ii) Establish a clear framework for planning, implementing, and monitoring CSR activities in accordance with the provisions of the Act and the CSR Rules, as amended;
- (iii) Ensure that CSR initiatives are implemented in both letter and spirit through appropriate procedures, due diligence, and reporting;
- (iv) Encourage employee participation and foster a culture of social responsibility across the organization.

GOVERNANCE

As per Section 135(9) of the Act, if the amount required to be spent by the Company on CSR activities under Section 135(5) does not exceed fifty lakh rupees in a financial year, the Board of

Directors shall discharge the functions of the CSR Committee. In such cases, the Board will be responsible for formulating, implementing, and monitoring the CSR Policy and activities.

However, once the CSR obligation exceeds rupees fifty lakh, the Company shall constitute a CSR Committee in accordance with the provisions of the Act and Articles of Association of the Company. The CSR Committee will then undertake the responsibilities of planning, executing, and overseeing CSR initiatives, while the Board shall continue to provide strategic oversight and approve recommendations made by the Committee.

ROLE AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Board of Directors of the Company shall:

- (i) Based on the recommendations made by the CSR Committee, approve the CSR Policy for the Company;
- (ii) Approve the CSR budget/expenditure in alignment with the Company's CSR obligation;
- (iii) Ensure that the CSR activities identified under this Policy are undertaken by the Company;
- (iv) Approve/alter the annual action plan as recommended by the CSR Committee;
- (v) Ensure that the funds disbursed towards the CSR activities have been utilized for the purposes and in the manner as approved by the Board and that the Chief Financial Officer or the person responsible for financial management shall certify it to the effect;
- (vi) For ongoing CSR projects, monitor the implementation with reference to approved timelines and year-wise allocation, and make modifications as may be necessary to facilitate smooth execution within the prescribed timelines;
- (vii) Ensure that the administrative overheads relating to CSR activities do not exceed five percent of the total CSR expenditure of the Company for the relevant financial year.

ROLE AND RESPONSIBILITIES OF THE CSR COMMITTEE

CSR Committee shall:

- (i) Formulate and recommend the CSR Policy to the Board and suggest any amendments for the Board's approval;

- (ii) Recommend the annual CSR budget/expenditure to the Board, calculated in accordance with the Act, after consultation with the finance department;
- (iii) Identify and recommend CSR activities to the Board, providing a detailed project report that includes: focus areas, need and rationale, implementation plan, budget, schedule, location, and expected impact;
- (iv) Provide periodic updates to the Board on CSR activities, including funds allocated, utilized, unspent (if any), additional funds required, and expenditure incurred;
- (v) Allocate budget to the CSR activities and the CSR Partners;
- (vi) Undertake all necessary steps to implement the CSR activities in accordance with the implementation schedule, as approved by the Board;
- (vii) Monitor the CSR activities in such manner as prescribed in this Policy;
- (viii) Manage the annual CSR budget effectively;
- (ix) Evaluate the level of impact and the effectiveness of Company's commitment to various causes and organizations;
- (x) Ensure that the CSR activities do not benefit the Company or its employees and their families;
- (xi) Formulate and recommend to the Board, an annual action plan in pursuance to this policy, including all relevant details as required under Rule 5 of the CSR Rules.

CSR ACTIVITIES/CSR FOCUS AREAS

The Company shall undertake the CSR activities permitted under Section 135 and Schedule VII of the Act. The Company's CSR activities will be directed towards the following areas:

- (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; Promotion of education;

- (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality and empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers 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, agro forestry, 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 arts 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 recognized 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 Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled 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; For the purpose 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
- (xiii) Any other areas of spend permitted under Schedule VII to the Act, from time to time

For the purpose of carrying out the CSR Activities, preference shall be given to the local area and the areas around which the Company operates and the same should be within India.

Following activities shall not fall under the purview of CSR activities:

- (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 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.

IMPLEMENTATION OF CSR ACTIVITIES

The Board may choose to implement CSR activities directly through the Company or through the below mentioned CSR Partners:

(a) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 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 (“entity” shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.); or

(d) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

If the Company chooses to carry out the CSR activities through CSR Partner, such CSR Partner shall meet the eligibility criteria as prescribed under Rule 4 of the CSR Rules, read with Section 135 of the Act and any amendments thereto.

CSR EXPENDITURE/BUDGET

The Company shall earmark not less than 2% of the average net profits of the Company made during the three immediately preceding financial years for the purpose of CSR activities. Any surplus arising out of CSR activities implemented by the Company shall not form part of business profits and shall be dealt with in accordance with Rule 7 of the CSR Rules. Payments towards CSR activities shall be made directly to the CSR partners, beneficiaries and/or vendors, as applicable.

IMPACT ASSESSMENT

The Company shall undertake impact assessment if the average CSR obligation of the Company is ten crore rupees or more, in the three immediately preceding financial years, through an independent agency, for the CSR projects having outlays of one crore rupees or more, and which have been completed at least one year prior to the impact study.

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

The expenditure incurred towards impact assessment may be booked as CSR expenditure for the relevant financial year, which shall not exceed 2% of the total CSR expenditure for that financial year or rupees fifty lakh, whichever is higher.

MONITORING MECHANISM

The CSR Committee shall put in place an appropriate mechanism for monitoring the execution and progress of the CSR programmes and activities undertaken in accordance with this Policy. Periodic reports on CSR activities shall be submitted to the CSR Committee and placed before the Board for review.

The CSR Committee may, as considered necessary, carry out evaluations or impact studies of CSR programmes, either internally or through external agencies, to assess their effectiveness and identify opportunities for improvement. The Committee may also seek feedback from beneficiaries or other stakeholders to enhance the design and implementation of future CSR programmes.

REPORTING

The Board's Reports shall include an annual report on CSR activities containing particulars as specified in the format prescribed in Rule 8 of the CSR Rules.

Website of the Company shall disclose the following, wherever applicable:

- (a) Composition of CSR Committee
- (b) CSR Policy
- (c) Projects approved by the Board

The Board shall further ensure compliance with applicable statutory requirements in relation to CSR under the Act and the CSR Rules, as amended from time to time.

POLICY REVIEW AND FUTURE AMENDMENT

The Board of Directors may amend or modify this Policy from time to time, as it deems necessary, based on the recommendations of the CSR Committee. In case of any amendment to the relevant provisions of the Act or the rules made thereunder, this Policy shall be deemed to be amended accordingly from the effective date of such amendment.