

CSR Policy

Fusion CX Ltd. ("Company") herein desires to establish a CSR Policy as per instruction of Board of Directors and there is no such mandatory requirement for constitution of a CSR Committee under the relevant statutes which are applicable to the Company until and unless such criteria is attracted as per the Companies Act, 2013 or rules thereunder.

Corporate Social Responsibility (CSR) builds a dynamic relationship between a company on one hand and the society and environment on the other. CSR refers to the way in which businesses regulate themselves in order to ensure that all of their activities positively affect society as a whole. CSR is traditionally driven by a moral obligation and philanthropic spirit. Over time it has become an integral part of business. The focus areas on which the company would initially concentrate on spending requisite fund of the Company are eradication of hunger, promotion of education, environmental sustainability, socio-economic development and rural development. However, the Company may also spend in areas as specified Schedule VII to the Companies Act, 2013.

1. SHORT TITLE & APPLICABILITY

This policy, which encompasses the company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the "Fusion CX Ltd. CSR Policy". It has been prepared keeping in mind the company's business ethics and to voluntarily comply with the requirements of Section 135 of Companies Act, 2013 (hereinafter called as "the Act") read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

This policy shall apply to all CSR initiatives and activities taken up at the various work-centers and locations of the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled persons.

2. VISION STATEMENT & OBJECTIVE

Objective: To succeed, an organization must maintain highest standards of corporate behavior towards its employees, customers, various stakeholders and society, in which it operates

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model to promote a comprehensive and integrated development as a responsible corporate citizen.

CSR Vision– Providing assistance in the development of weaker sections of the society, promoting health care and zeal of education in every spirit and ensuring environmental sustainability.

3. CONSTITUTION OF COMMITTEE

- **Composition**

Keeping in line with provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee be formed by the Board of Directors of the Company and shall include at least one Independent Director wherever such Independent Director is required to be appointed under section 149(4) of the Act. Further, In terms of section 135(9) companies are exempted to constitute such committee if the amount of spent is less than Rs. 50 Lakhs in the Financial Year. The present composition of the Committee if any will be as decided by the Board with at least one Director will be appointed to oversee the CSR activities and compliances. Where a committee is appointed the meeting should be chaired the Independent Director wherever there is any or the such other person as may be decided by the Committee or the Board where the Committee is failed to appoint one. Since the Company does not have a mandatory requirement to formulate a CSR Committee

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therefore the company opted the policy and functions to be governed by the Board and the Board may authorize such Director/person from time to time to carry out such functions or responsibilities.

- **Meetings:**

The Committee shall hold meeting, as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would thrive to hold at least one meeting in a financial year. The Board may annually evaluate the policy and works thereunder.

- **Quorum:**

The quorum for a meeting of the Committee on CSR shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

- **Sitting Fee:**

The Sitting Fees for attending the meeting shall be determined from time to time by the Board of Directors.

- **Absence of Committee:**

In the absence of a committee, the Board may take up and carry out the functions and responsibilities of the CSR itself, or delegate or authorize any director or officer of the Company to perform such functions and responsibilities.

4. ROLES AND RESPONSIBILITIES

The role of CSR Committee/Board is:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII to the Act;
- b. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- c. To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d. Review the implementation of Corporate Social Responsibility Policy and activities recommended in this regard
- e. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

The Board of Directors shall endeavor that the Company spends, in every financial year, at least such percentage of the average net profits of the Company made during the immediately preceding financial years as may be prescribed in pursuance of its CSR Policy/applicable regulations.

Preference should be given to the local areas and areas around it where the company operates, for spending the earmarked amount for CSR Activities.

Further that if company fails to spend such amount, the Board of the Company, shall in its Board's report for the related financial year (pursuant to Section 134(3)(o) of the Companies Act, 2013), specify the reasons for not spending the amount and unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund as specified in Schedule VII to the Companies Act, 2013 within a period of 6 months of the expiry of financial year.

In case the company spends an amount in excess of the required amount, the company may set off such excess amount against the requirement to spend upto immediate succeeding 3 financial years subject to the condition that-

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- i. Excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance to sub-Rule 2 of Companies (Corporate Social Responsibility Policy) Rules, 2014.
- ii. The Board of Company shall pass a resolution to this effect.

Net Profit shall not include such sums as may be prescribed and shall be calculated in accordance with the provisions of section 198 of the Companies Act, 2013, as amended from time to time.

Any amount remaining unspent in accordance to above, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility 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 to the Act, within a period of thirty days from the date of completion of the third financial year.

5. RESOURCES FUNDING & ALLOCATION

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate such percentage of its average net profits made during the immediately preceding financial years as may be prescribed as its Annual CSR Budget.

The Annual CSR Budget shall be spent on activities laid down in this Policy. CSR expenditure shall include all expenditure including projects or programs relating to CSR activities as per CSR policy, but does not include any expenditure on an item not in conformity with the CSR Policy.

6. ACTIVITIES, PLANNING & IMPLEMENTATION

Areas for Activities

The Company shall identify projects / activities which will fall in any one or more of the following areas / sectors for its CSR spending:

- In Health Care, our activities relate to:
 - a. Eradicating hunger, poverty and malnutrition.
 - b. Promoting preventive health care and sanitation, including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation
 - c. Making available safe drinking water.
- In Education, our endeavor is to spark the desire for learning and knowledge at every stage through:
 - a. Promoting Education (including special education),
 - b. Employment Enhancing Vocation Skills especially among children, women, elderly and differently abled.
 - c. Livelihood Enhancement Projects.
- In Sustainability, we aim at maintaining environment sustainably through:
 - a. Maintaining ecological balance and ensuring environmental sustainability.
 - b. Protection of flora and fauna, animal welfare.

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- c. Developing agro-forestry.
- d. Conservation of Natural Resources
- e. 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.
- In Socio-Economic Development, our endeavour is to:
 - a. Contribution to 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.
 - b. Relief and welfare of the Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities and Women.
- Implementation of Rural Development Projects.

However, following shall not be included in the CSR Activities:

- Any activities undertaken in pursuance of its normal course of business.
- Any contribution made by the company of any amount directly or indirectly to any political party Under Section 182 of the Act.
- The CSR projects or programs or activities that benefit exclusively for the employees of the company and their families shall not be considered as CSR activities in accordance with this policy.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company but should be added in the CSR Fund.

The CSR projects or programs or activities undertaken by the company as per Company's CSR Policy in India only shall amount to CSR Expenditure in accordance with the provisions of sub-section (5) of section 135 of the Act.

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates.

All expenses and contributions for CSR activities will be made after approval from the Chairman of the CSR committee, which would then be placed before the forthcoming CSR committee for noting and record. The Chairman will ensure that the expenses/contribution and donation will be in full compliance of the CSR Policy.

7. IMPLEMENTATION & MONITORING OF ACTIVITIES

The Committee/Board might take the assistance and guidance of senior personnel of the company/ outside agency for the purpose of monitoring the progress/fund utilization.

The Committee/Board also authorizes the Chairman of the Committee/Mr. Pankaj Dhanuka (Director) to take effective steps from time to time as necessary, in relation to Corporate Social Responsibility activities.

8. DISPLAY OF CSR ACTIVITIES & INITIATIVES

Pursuant to Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company shall mandatorily disclose the

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composition of the CSR Committee, and CSR Policy and Projects as approved by the Board on its website, if any, for public access.

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee/Board. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines issued by the Government from time to time or as may so decide by the Board or the Committee.

The Board/CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.