

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. **Preamble:**

ISSPL Limited (formerly known as IRCLASS Systems and Solutions Limited and IRCLASS Systems and Solutions Private Limited), hereinafter known as the “Company”, duly recognizes that the community is not just another stakeholder in business, but in fact, the very purpose of its existence. ISSPL Limited seeks to be a good corporate citizen in all aspects of its organization and its activities. It recognizes that it cannot do it all, so that if there are choices to be made, prioritization will be doing towards fewer projects with greater impact and focusing initiatives on communities in which company lives and operate. Thus, it strongly believes in giving back to the society and to act as a responsible corporate citizen. The Company translates its care for the community by supporting various social causes including that of Education & Skill Development, Health & Wellness, Environmental Sustainability including Biodiversity, Energy & Water Conservation and so on and so forth. Further, it also extends timely support in eradicating hunger, poverty and malnutrition.

2. **Purpose:**

The purpose of this document is to outline the policies and procedures for the Corporate Social Responsibility (CSR) of the Company.

It broadly intends to:

- Provide opportunities promoting in every possible way education (including education in maritime field) of people including children, women and differently abled persons.
- Protection and preservation of the environment and its sustainability, particularly in area of its principal operations and activities.
- Eradicating hunger, poverty and malnutrition, promoting health care and sanitation and making available safe drinking water.
- Such other purpose as defined under the Schedule VII of the Companies Act, 2013 (the “Act”).
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities and the society at large.

3. **Scope:**

This Policy applies to all projects/ programmes undertaken as part of the CSR initiative of the Company and it may be further developed, reviewed and updated by reference to relevant codes of Corporate Governance, Company Policy, Applicable Laws and International Standards or best practices.

The projects, programs and activities undertaken for CSR shall be selected keeping in mind the CSR philosophy of the Company and in alignment with the permissible activities under various applicable Laws, including the Companies Act, 2013 and rules framed thereunder, as amended from time to time.

Further, it shall be at the discretion of the Company to undertake, modify, implement and cancel the CSR projects, programs and activities from time to time as it deems fit.

4. **Committee & Composition:**

The Board of Directors of the Company shall duly constitute a Committee called the 'Corporate Social Responsibility Committee' ('CSR Committee') in accordance with the provisions of various applicable Laws, including the Companies Act, 2013 and rules framed thereunder, as amended from time to time.

5. **Process:**

The Company will undertake its CSR activities, approved (prior/ratified) by the duly formed CSR Committee, either directly or through any implementing agency/ organization/entity as may be approved by the duly formed CSR Committee.

The Company may build CSR capabilities of its personnel as well as those of implementing agencies through institutions with established track records of at least three financial years.

The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company or other activities which has been specifically specified under the Act.

The Company shall not make any payment directly or indirectly to Political Party(ies) for CSR Activities.

6. Location:

The duly formed CSR Committee will decide on the locations for the CSR activities as and when required.

7. Responsibility:

The responsibilities of the CSR Committee include:

- 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 of the Companies Act, 2013 under the Act, as amended from time to time (Collectively referred to as "CSR Activities")) including but not restricted to the compliance of the provisions of Section 135 and CSR Rules as amended from time to time and further also intimate the board about the negative list as specified in the definition of CSR activities.
- The CSR Activities shall be undertaken for the benefit of the public and not only for the employees of the Company and their family.
- To recommend the amount of expenditure to be incurred on the activities referred to in clause above; and
- To monitor the Corporate Social Responsibility Policy of the company from time to time recommend to the Board detailed plan, modalities of execution, implementation schedule, monitoring process, impact assessment, if any, for the projects undertaken by the company, and amount to be incurred on such activities;
- such other functions as may be delegated by the Board from time to time.

8. Amount to be Spend:

- The Company shall spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.
- Provided that the Company shall give preference to the local areas and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:
- Provided further that if the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and comply with provisions of Section 135 and Rules thereof regarding the transfer of the unspent amount accordingly as per the provisions of Section 135 of the Companies Act, 2013 ("the Act") as amended from time to time.
- For the purposes of this section "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

9. Functioning Intricacies:

- The Committee shall facilitate the open flow of information and cooperation with other Committees of the Board.
- The Committee shall assess its own performance and take corrective efforts diligently in order to constantly improve its performance.
- The Committee/Board shall take such necessary steps, in spirit of law, so as to effectively, timely and efficiently resolve any matters, obstacles, questions arising in its operational functioning.
- The Committee/Board may, in spirit of law, delegate the authority of the Committee, of either or all of the members, to any person duly authorized in this behalf, as and when the need arises.
- Any amendment, modification, notification, etc. in the prescribed applicable prevailing law, in this regard, shall immediately and automatically apply to this policy without any further action.

10. Policy Implementation and Review:

The policy shall be implemented and may also be reviewed at regular intervals, as and when required. The activities to be undertaken are in line with CSR mission and guidelines as above and as per Schedule VII stated in Companies Act, 2013. The Company reserves the right to amend, abrogate, modify, rescind / reinstate the entire policy or any part of it at any time. Words and expressions used and not defined in this Policy shall have the same meanings respectively assigned to them in the Act and the Rules.