



QUESS CORP LIMITED

Corporate Social Responsibility Policy

**This policy was amended and approved by the Board of
Directors on June 3, 2021.**

CSR Policy

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Chapter 1

1. Introduction:

Quess Corp Limited (Quess) is India's leading business services provider, leveraging our extensive domain knowledge and future-ready digital platforms to drive client productivity through outsourced solutions. We provide a host of technology enabled staffing and managed outsourcing services across processes such as sales & marketing, customer care, after sales service, back office operations, manufacturing operations, facilities and security management, HR & F&A operations, IT & mobility services, etc.

The Company believes that the true and full measure of growth, success and progress lies beyond financials or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

1.1. Applicability:

This policy comprises the Company's philosophy for representing its responsibility as a corporate citizen and formulates the guidelines and mechanisms for undertaking development programs for sustainable development of the community at large and is titled as the '**Quess CSR Policy**'.

This policy shall apply to all CSR & Sustainability initiatives and activities taken at the various locations of the Quess Group Companies, at the local community for the benefit of different segments of the society, specifically the women, children and the community as a whole.

As per Section 135(1), of the Act, CSR is mandated if the Company fulfills any of the below criteria during the immediately preceding financial year], then the Company need to comply with Section 135 and the Rules made there under.

- Companies having net worth of Rs. 500 crores or more or
- Companies having turnover of Rs. 1000 crores or more or
- Companies having a Net profit of Rs. 5 crores or more

However, if for three consecutive financial years it ceases to comply with the criteria, then the Company shall not:

- (a) Constitute a CSR Committee
 - (b) Comply with the provisions of Section 135 (2) to (7)
- Until it meets the aforesaid criteria again

As per SEBI (LODR) Regulation, 2015, sustainability of the company is reported through the Business Responsibility Report (BRR). Further, based on the notification dated 5th May'21, Business Responsibility and Sustainability Report (BRSR) is applicable to the top 1000 companies based on their market capitalization.

Reporting requirements under BRSR primarily cover the following nine principles based on The National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business (NVG's) released by the Ministry of Corporate Affairs for areas of Business Responsibility.

- P1. Business Ethics
- P2. Product/Service Responsibility
- P3. Wellbeing of Employees
- P4. Stakeholder Engagement
- P5. Human Rights
- P6. Environment
- P7. Public Policy
- P8. Corporate Social Responsibility
- P9. Customer Relations

1.2. Vision:

To actively contribute to the community and create a positive impact in the lives of people, especially in the areas of health and education. In doing so, company aims to build a healthy and educated workforce and provide sustainable livelihood for the weaker sections of society”

1.3. Objective:

- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

To generate, through its CSR initiatives, upliftment of communities through infrastructure, education, health and wellbeing, environment consciousness, etc.

- Abiding concern for the society and environment. Quess shall demonstrate its care for the community through its focus on education & skill development, health & wellness and environmental sustainability.

1.4. Terms of reference:

- a) Formulate and recommend to the Board a Corporate Social Responsibility Policy (“CSR Policy”) and the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- b) Identifying the areas of CSR activities;
- c) Recommending the amount of expenditure to be incurred on the identified CSR activities;
- d) Implementing and monitoring the CSR Policy from time to time;
- e) Coordinating with “Care Work Foundation” or other such agency in implementing programs and executing initiatives as per the CSR Policy of the Company;
- f) Reporting progress of various initiatives and making appropriate disclosures on a periodic basis;

- g) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy;
- h) Review Sustainability initiatives of the company and provide guidance on aspects of sustainability policies and programs including environmental sustainability, climate change, responsible sourcing, biodiversity, energy & water conservation;
- i) Overseeing the Company's initiatives and reviewing the risk and opportunities related to Environment, Social and Governance ("ESG").
- j) Review regularly and making recommendations about changes to the charter of the Committee; and
- k) Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

1.5. CSR Activities

The Policy recognizes that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Schedule VII of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

- (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.
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres 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, animal welfare, agroforestry, carbon management program, Biodiversity conservation and enhancement program, Sourcing power from renewable sources, On-site waste management at Quess campuses, 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. We also seek to extend support in instances of natural disasters/pandemic.
- (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 art and handicrafts;
- (vi) Measures for the benefit of armed 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and
(b) Contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) 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.
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities.

CHAPTER 2

2. RESOURCES

2.1. Funding & Allocation:

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, Quess Corp Limited will allocate in every financial year, at least 2 % of the average net profits of the company made during the three immediately preceding financial years, as its Annual CSR Budget. Any unutilized amount under the annual allocation against this below head will be carried forward to the next year.

Further, as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 effective from 22nd January, 2021, the CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy as required under Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 towards Health and Education programs and the 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.

A certificate from the Chief Financial Officer or the person responsible for financial management shall be obtained confirming that the funds so disbursed have been utilized for the approved purposes, to be submitted to the Board.

CHAPTER 3

3. PLANNING

3.1. Identification of Thrust Areas and Strategic Initiatives:

For purposes of focusing its CSR efforts in a continued and effective manner, the following 5 **Thrust Areas** have been identified:

- Education
- Health
- School and Class Environment
- Academic Programs
- Stakeholder Engagement

As a guideline Quess will distribute its annual CSR Expenditure amongst the five thrust areas, as mentioned above. However, the actual distribution of expenditure among these thrust areas will depend upon the local needs as may be determined by the need Identification studies or desired by the CSR Committee or the CWF Trustees.

CHAPTER 4

4. Implementation:

- Careworks Foundation (CWF), A CSR wing of Quess group will plan & execute the CSR initiatives of the Company or any other foundation associated with Quess, in future.
- CSR programmes will be undertaken by various Quess Group Companies to the best possible extent within the defined ambit of the identified 'Thrust Areas'.
- The Sustainability related initiatives will be driven by the Company directly or through an implementing agency.
- The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- At least 60% of the CSR programmes are to be executed in and around the areas adjoining Quess Group companies, or in the vicinity of Quess Group companies client's location
- Project activities identified under CSR are to be implemented either CWF or through specialized agencies, which could include - Voluntary Organizations (VOs), Not for profit organizations or formal Professional Consultancy organization or in collaboration with a Company or Foundation /Trust of a Company.
- The process for implementation of CSR programmes will involve the following steps:

4.1. Identification of programmes:

- The activities under the focus area may be further decided based on the Internal need assessment by cross-functional team at the Local level
- Receipt of proposals/requests from NGO's
- Discussions and request with local representatives/Civic Bodies/Citizen's forums/VOs

4.2 Powers:

CSR programmes as may be identified by the team based on the policy document are required to be put up to the CSR Committee of the Board at the beginning of each financial year and approval sought for each program.

For meeting the requirements arising out of immediate & urgent situations, the Chairman and/or Managing Director of the Company is authorized to approve proposals.

4.3 Disclosures in Board's Report:

The Board's Report shall disclose;

- (i) the Composition of CSR Committee and their functioning.
- (ii) the CSR Policy as approved by the Board.
- (iii) that if a Company fails to spend 2% of average net profits, it shall state the reason for the same.
- (iv) the annual report on CSR activities to be annexed to Board Report (Format enclosed as Annexure 1)

4.4 Executing agency/Partners:

Quess will seek to identify suitable programmes for implementation in line with the CSR objectives of the Company and also benefit the stakeholders and the community for which those programmes are intended. These works would be done through:

- Community based registered organizations
- Voluntary Agencies (NGOs)
- Institutes/ Academic Organizations
- Trusts, Missions
- Contracted agencies for civil works
- Professional Consultancy Organizations
- Company and its foundations

4.5 Criterion for identifying executing agency:

While identifying programmes the concerned work centers will also identify the external agency who would execute the said programme. In case of programmes execution by NGOs/Voluntary organizations the following minimum criteria need to be ensured:

- The NGO / Agency has a permanent office / address in India;
- The NGO is a registered society under Society Registration Act, registered public trust, Company established under Section 8 of the Companies Act, 2013, Entity established under an Act of Parliament or State Legislature;
- Possesses a valid Income-tax Exemption Certificate;
- Good track record and previous experience related to the project

CHAPTER 5

5. Monitoring and feedback

To ensure effective implementation of the CSR programmes undertaken at each location, a monitoring mechanism will be put in place by the Company and/or Implementing Agency. The progress of CSR programmes under implementation at the various locations will be reported to the CSR committee periodically.

The CWF will conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes based on the need.

CHAPTER 6

6. General

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

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

6.1 TREATMENT OF UNSPENT CSR AMOUNT DURING THE YEAR:

In case the unspent amount does not relate to any ongoing project at the end of the financial year:

The unspent amounts needs to be transferred to a Fund, i.e., Swachh Bharat Kosh, Clean Ganga Fund, prime minister's national relief fund, etc within a period of six months of the expiry of the financial year.

In case the unspent amount is relating to ongoing project at the end of the financial year:

The unspent amounts needs to 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 for that financial year in any scheduled bank to be called the “**Unspent Corporate Social Responsibility Account**”.

Such amount lying in Unspent account 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 as mentioned above, within a period of thirty days from the date of completion of the third financial year.

“Any unspent amount needs to be transferred at the end of the financial year to the specific fund as mentioned under Schedule VII of the Companies Act, 2013.”

CHAPTER 7

Amendments to the policy

The Board based on the recommendations of the CSR Committee of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

Annexure -I

Format for the Annual Report on CSR activities to be included in the Board's Report for financial year commencing on or After 1st Day of April, 2020

1. Brief outline on CSR Policy of the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
3			
	Total		

6. Average net profit of the company as per section 135(5).

7. (a) Two percent of average net profit of the company as per section 135(5)

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

(c) Amount required to be set off for the financial year, if any

(d) Total CSR obligation for the financial year (7a+7b-7c).

		schedule VII to the Act.		State.	District.			Name.	CSR registration number.
1.									
2.									
3.									
	Total								

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1								
2								
3								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairman CSR Committee).	Sd/- [Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).
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