

**ATC TELECOM INFRASTRUCTURE PRIVATE
LIMITED**

ATC TIPL-CSR POLICY

I. OVERVIEW OF THE COMPANY

The Company (*as defined below*) is engaged, *inter- alia*, in the business of providing passive infrastructure to various cellular operators in India. It is registered with the Department of Telecommunications, Ministry of Communications and Information Technology, Government of India, as Infrastructure Provider Category- I company.

II. CSR POLICY

This CSR Policy (*as defined below*) encompasses the Company’s philosophy for its social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities, and is titled as the ‘ATC TIPL-CSR Policy’.

III. VISION STATEMENT AND OBJECTIVE

1. This CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. This CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, the Company proposes to adopt various CSR Activities (*as defined below*).
2. This CSR Policy has been framed in accordance with the applicable provisions of the Act (*as defined below*) and the CSR Rules (*as defined below*).

IV. DEFINITION AND INTERPRETATION

“Act” means the Companies Act, 2013 (including the rules, orders, circulars and notifications issued thereunder) as amended, modified, supplemented or re-enacted from time to time;

“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;

“Board” means the Board of Directors of the Company;

“Company” means ATC Telecom Infrastructure Private Limited;

“Corporate Social Responsibility or CSR” shall have the meaning ascribed to the term under Clause V (1) of this CSR Policy;

“CSR Activities” means such programs and projects as specified under Schedule VII of the Act read with the CSR Rules made thereunder, and as may be approved by the Board in terms of this CSR Policy;

“CSR Cell” means the CSR Cell as referred under Clause VIII of this CSR Policy;

“CSR Committee” means a committee constituted by the Board in terms of Section 135 of the Act and the CSR Rules;

CSR Foundation: a wholly owned subsidiary Company namely “ATC CSR Foundation India” incorporated under section-8 (not for profit) of the Act, for implementation of its CSR activities.

“CSR Policy” means this CSR Policy which has been framed by the CSR Committee and approved by the Board, in accordance with the applicable provisions of the Act and the CSR Rules;

“CSR Rules” mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, modified, supplemented or re-enacted from time to time;

“CSR Expenditure” means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India, in terms of the Act and the CSR Rules, and as approved by the Board from time to time;

“Director” means a member of the Board of the Company;

“International Organization” shall have the meaning ascribed to the term under the CSR Rules; and

“Net Profits” means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act), but shall not include (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.

“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;

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

V. CSR requirements under the Act and the CSR Rules

1. Definition of CSR

CSR has been defined under the CSR Rules to mean 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 CSR Rules, but shall not include the following:

(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;

(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.

2. ***Prescribed Companies***

As per Section 135(1) of the Act, every company having a net worth of rupees 500 crore or more, or turnover of rupees 1000 crore or more or a Net Profit of rupees 5 crore or more during any financial year is required to constitute a Committee of the Board.

3. ***CSR Activities***

CSR Activities shall be undertaken by a company as per its stated CSR Policy, as project, programs or activities (either new or ongoing) excluding the activities mentioned in Clause 1 above.

VI. Applicability of this CSR Policy

1. This CSR Policy shall be implemented in accordance with the provisions of the Act and the CSR Rules and other applicable laws. This CSR Policy shall apply to all CSR Activities taken up by the Company.

2. As the Company complies with the threshold(s), it is required to spend at least 2% (two per cent.) of average Net Profit made during the 3 (three) immediately preceding financial years, in accordance with this CSR Policy. The 'Net Profit' of the Company shall be calculated in accordance with Section 198 of the Act and shall not include such sums as may be prescribed.

3. If the Company does not meet any of the thresholds for 3 (three) consecutive financial years, it will not be required to comply with the CSR obligations under the Act and the CSR Rules, until it meets a threshold again. During such period, it is not mandatory to comply with the provisions of this CSR Policy.

4 The CSR Activities undertaken by the Company shall be in addition to the other charitable and philanthropic activities undertaken by the Company, including activities undertaken by the Company in the normal course of business. Accordingly, this CSR Policy shall not be applicable to such charitable and philanthropic activities and activities undertaken by the Company in the normal course of business.

VII. CSR Committee

1. The Board has constituted a CSR Committee in accordance with the provisions of the Act and the CSR Rules. It shall comprise of the 3 (three) Directors of the Company. The Company Secretary of the Company shall be the secretary to the

Committee. The CSR Committee may invite other experts/ invitees as per its requirements.

2. The CSR Committee shall be responsible for:

- (i) Formulating Company's CSR Policy, including the CSR Activities and their budgets to be undertaken by the Company, as per the applicable provisions of the Act and the CSR Rules for consideration of the Board, as well as recommendation of any subsequent change/ modification to the CSR Policy;
- (ii) Formulating and recommending to the Board, an annual action plan in pursuance of the CSR Rules and this CSR Policy;
- (iii) Institute an implementation and monitoring mechanism for CSR Activities to be undertaken by the Company;
- (iv) Periodically updating the Board on the progress being made in the planned CSR Activities;
- (v) Other duties as required to be performed in accordance with the provisions of the Act and CSR Rules and other duties as may be required to be performed at the directions of the Board.

VIII. CSR Cell

The CSR Cell has been constituted to assist the CSR Committee with the implementation and impact assessment of the CSR initiatives. The CSR Cell comprises of the following:

- (i) Chief Financial Officer (CFO)
- (ii) VP- Regulatory, Public Affairs and CSR
- (iii) SM- EVP's Office and CSR
- (iv) DGM— Corporate Social Responsibility
- (v) Manager— Corporate Social Responsibility

The CSR Cell shall be responsible for:

- (i) Identifying CSR Activities at the directions of the Board and the CSR Committee;
- (ii) Undertaking impact assessment of the CSR Activities;
- (iii) Determining the modalities of execution including targets and timelines in consultation with the CSR Committee;
- (iv) Timely implementation of the CSR Activities approved by the Board in compliance with the applicable provisions of the Act and CSR Rules;
- (v) Providing periodic reports to the CSR Committee on implementation as well as assessment carried out through field visits and feedback sessions; and
- (vi) Any other assistance as may be required by the Board and the CSR Committee in

relation to implementation of the CSR Activities.

IX. CSR Vision

1. In alignment with its vision, the Company, through its CSR Activities, will endeavor to enhance value creation in the society and in the community, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.
2. The objective of this CSR Policy is to:
 - (i) Provide a list of projects, programs and activities which the Company plans to undertake;
 - (ii) Specify the modalities of execution of such projects, programs and activities, as well as the implementation schedule;
 - (iii) Monitor the process to be followed for such projects, programs and activities;
 - (iv) Directly or indirectly take up programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
 - (v) Generate community goodwill for the Company and help reinforce a positive and socially responsible image of the Company, through its CSR Activities.

X. Projects, Programs and Activities

1. Activities undertaken in pursuance of the normal course of business of the Company shall not be considered towards CSR Expenditure by the Company.
2. For achieving its CSR objectives through implementation of meaningful and sustainable CSR Activities, the Company earmarks 2% (two per cent.) of the average Net Profit made during the 3 (three) immediately preceding financial years for the CSR Activities as mentioned at paragraph 3 below.
3. In accordance with the requirements under the Act, our CSR activities, amongst others will focus on:
 - a. Rural development projects, including but not limited to following activities:
 - i. Programs for promoting basic literacy among rural population,

- (ii) The amount of the CSR Expenditure on each of the CSR Activity; and
- (iii) Whether the CSR Activities will be undertaken directly by the Company or through an implementing agency or in collaboration with any other companies, including by availing services of any NGOs and record reasons for the same.

XI. Allocation

The Board shall approve the allocation of the CSR Expenditure on the CSR Activities of the Company and the Board shall, to the extent possible, give priority to the local areas wherever the Company has its operations.

XII. Implementation

1. The Board along with the CSR Committee and the CSR Cell shall be responsible for implementation of this CSR Policy.
2. The Company shall undertake its CSR Activities by itself and/ or through CSR Foundation or through a trust or society or other agencies in accordance with the Act and the CSR Rules.
3. The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability.
4. 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 or the person responsible for financial management shall certify to the effect.
5. 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.
6. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect
7. Suitable documents / agreements shall be entered into with NGOs and the other agencies for the purposes of implementation of the CSR Activity, in case the CSR Activity is proposed to be implemented through the third party agencies. The conditions of grant of amounts for all CSR Activities and the break-up of the allocations shall be set out and evaluated from time to time.

8. To the extent feasible, a project based accountability approach to stress on the long term sustainability of CSR Activities shall be adopted, and the indicative action plan and implementation schedule (timelines) for the projects, programs and activities shall be adopted by the Company.

XIII. Monitoring Mechanism

1. To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy, the progress of each such project, programme and activity will be reported to the CSR Committee on a quarterly basis, with all requisite documentation.
2. The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.
3. All CSR Activities and expenses made thereon will be subject to audit by the Company's auditors.
4. Details of the CSR initiatives and implementation shall also be included in the annual report of the Company, as per the requirements specified under the Act and the CSR Rules. Further, such details shall also be displayed on the website of the Company.
5. Notwithstanding anything to the contrary, the Board shall not be obliged to comply with the recommendations of the CSR Committee.

XIV. Impact Assessment

1. The Company shall mandatorly undertake impact assessment under in case of average CSR obligation of Rs. 10 Crore or more, in the three immediately preceding financial years through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Report of the same shall be presented to the Board and shall be annexed to the annual report on CSR.
- 2.
3. Regular and interactive feedback sessions shall be conducted at all levels including with other NGOs through which CSR Activities are being undertaken as well as the respective beneficiaries of all the CSR Activities undertaken by the Company.
4. Field visits shall be conducted at regular intervals to ensure effective implementation. Proper documentation shall be done in an MIS format to record

key observations of such feedback sessions and field-visits.

5. If deemed necessary by the CSR Committee, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.

XV. Reporting

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The CSR Committee shall prepare an annual report on CSR in the format prescribed under the CSR Rules with such other information as may be required by the Act and such report shall be included in the Board's report annexed to the financial statements.
3. The Board's report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rules.
4. The Board will be responsible to ensure that the Company complies with the requirements on the CSR as may be prescribed from time to time under the Act and the CSR Rules.

XVI. General

1. Any surplus arising out of the CSR projects/programs or activities shall not form part of the business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of this CSR Policy and annual action plan of the Company or transfer such surplus amount to a fund specified in Schedule VII of the Act, within a period of 6 (six) months of the expiry of the financial year.

2. The Administrative Overheads shall not exceed five percent of total CSR Expenditure of the Company for the financial year. Administrative Overheads means the expenses incurred by the Company for 'general management and administration' of the 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..
3. Expenses on Impact assessment may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.
4. If it is observed that any CSR Activity taken up for implementation is found not properly implemented, the CSR Committee may, with approval of the Board, may discontinue funding the project at any time during the course of implementation and use such funds for any other project.
5. The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this CSR Policy.
6. The Company may engage International Organisations for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of its own personnel for CSR.

XVII. Amendment

The CSR Committee is empowered to amend or modify this CSR Policy and such changes shall be placed before the Board for its approval. The Board may, subject to compliance with applicable law, at any time approve or 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.