

# EVALUESERVE



---

## CSR Policy Document

**EVALUESERVE EDUCATION FOUNDATION**

---

LGF-2,23, Hanuman Road, Connaught Place, New Delhi-110001.

---

January 2026

---

# Contents

<b>1. Introduction</b> .....	<b>4</b>
<b>2. Vision</b> .....	<b>5</b>
<b>3. Purpose/objectives</b> .....	<b>6</b>
<b>4. Scope and applicability</b> .....	<b>7</b>
<b>5. Thematic Focus Areas:</b> .....	<b>8</b>
<b>6. Governance Structure</b> .....	<b>9</b>
<b>7. Board Oversight:</b> .....	<b>10</b>
<b>8. Approval and Review Process</b> .....	<b>11</b>
<b>11. Annexure III: Monitoring Visit Report – Pre-Funding Assessment (this shall vary depending upon Project thematic area)</b> .....	<b>16</b>
<b>Evalueserve Disclaimer</b> .....	Error! Bookmark not defined.

---

# Document Information

<b>Title</b>	Evalueserve CSR Policy document
<b>Version</b>	4
<b>Classification</b>	Restricted
<b>Creation Date</b>	24th Apr'2014
<b>Last review Date</b>	May-2025
<b>Description</b>	Defines the guidelines to work on the CSR projects
<b>Current Update Date</b>	December- 2025 January 2026
<b>Author</b>	CSR Committee
<b>Reviewed By</b>	Legal and Compliance
<b>Approved By</b>	President, CSR committee
<b>Custodian</b>	CSR Committee

<b>Version</b>	<b>Date</b>	<b>Comments</b>
Version 1.0	April 2014	
Version 1.1	March 2021	Updated basis the CSR Focus areas
Version 1.2	September 2022	Updated as per the change in stakeholders
Version 1.3	January 2024	Updated as per the change in guidelines
Version 1.4	May 2025	Updated as per the change in guidelines.
Version 1.5 1.5	January 2026	Updated as per the change in guidelines.

---

# 1. Introduction

The Corporate Social Responsibility (CSR) policy outlines the organization's commitment to contribute positively to society by aligning its business values with sustainable and inclusive development. As a responsible corporate citizen with presence in India and international markets, the organization recognizes its role in addressing social, environmental, and economic challenges. This policy is framed in accordance with the Companies Act 2013 and relevant rules, reflecting the organization's belief in ethical practices, transparency, and stakeholder engagement to create long-term value for communities.

## 1.1 CSR Guiding Principles

- Ethical conduct and transparency
- Community centric program design
- Impact focused interventions
- Compliance with legal and regulatory requirements
- Stakeholder participation and accountability

---

# 2. Vision

To strengthen communities by improving learning, livelihoods, and well-being

---

## 3. Purpose/objectives

- Define clear governance and approval structures for CSR.
- Ensure transparent and accountable disbursement of CSR funds.
- Encourage employee engagement and volunteering.
- Monitor and evaluate CSR projects for sustainable impact.

---

## 4. Scope and applicability

This policy applies to all CSR initiatives undertaken within India in accordance with Section 135 of the Companies Act, 2013 and the rules notified therein. International social initiatives may be undertaken voluntarily and reported separately, as applicable.

---

## 5. Thematic Focus Areas:

The CSR initiatives of Evalueserve are built around three core pillars, under the overarching "EEF" framework: All programs are implemented under our umbrella name "CommuniSERVE" – Communities Supporting Education, Environment, Skill, Empowerment, Volunteering and equal opportunities.

### The EEF Framework

Engage	Understand community needs, collaborate with partners, and mobilize volunteers
Execute	Implement programs efficiently, ensuring quality, compliance, and measurable outcomes
Foster Impact	Sustain initiatives, monitor progress, build capacity, and scale successful programs

---

## 6. Governance Structure

### CSR Committee Members:

- **President** – Chairperson of CSR Committee; holds exceptional approval authority.
- **Treasurer** –Responsible for releasing CSR payments as per agreement timelines, maintains transparent financial records for Board reporting.
- **Secretary and other committee members** –Review, deliberate and vote on project approvals and renewals. Provide strategic guidance and oversight
- **CSR Team** – Conducts due diligence and project assessments
  - prepares recommendation notes and documentation,
  - Responsible for execution, implementation of oversight
  - Monitoring and reporting of CSR projects
  - Coordinates field visits, compliance verification, and impact documentation
  - Maintains audit-ready documentation and stakeholder communication.

---

## 7. Board Oversight:

- CSR projects require final approval by the **Board**.
- **The treasurer** ensures financial compliance, including the **2% average net profit allocation and 5% administrative expenditure cap** for Evalueserve Education Fund.



---

## 8. Approval and Review Process

### Approval and Review Process of CSR Projects

#### 8.1. Pre-Requisite Assessment

- Every new project shall undergo a **due diligence process** conducted by the CSR team using the approved **Due Diligence Matrix** (Annexure I).
- The assessment will include evaluation of legal compliance, financial capacity, governance, project relevance, and alignment with Evalueserve CSR focus areas.
- Wherever feasible, **site visits** will be conducted by CSR Team validating information provided by the implementing partner. (Annexure III)
- If site visits are not possible, a **desk due diligence** report with appropriate justification will be prepared.

#### 8.2. Committee Review and Recommendations

- After due diligence, the CSR team will prepare a **Project Recommendation Letter**, summarizing the project scope, implementing partner profile, due diligence scores, and key findings and Email to committee members.
- The Recommendation Letter will be presented at the CSR Committee meeting.
- Committee members may share their observations based on field visits or desk assessments.

#### 8.3. Quorum and Approval

- Approval shall require a minimum of **two-thirds (2/3rd)** majority vote of the quorum present **for all the new projects and renewals of existing projects** (from President(mandatory), Treasurer, Secretary and CSR Committee Members, is required for approval of new projects.
- Projects with a budget of **₹1 crore or more** shall also require an **external Social Impact Assessment**, in line with the CSR Rules.
- In case of a tie, the president shall hold the final authority to approve or reject.
- In case of **exceptional approvals**, the **President** holds the authority to approve, provided that an **Exception Note** is submitted by the **CSR Team** and recorded Annexure III

#### 8.4. CSR Fund Allocation

- The CSR Governance Committee shall recommend, and the Board shall approve the annual budget for all CSR projects/activities.
- During each financial year, the Company will spend at least two (2) percent of the average pre-tax net profits of the preceding three (3) financial years as its CSR obligation for the financial year.
- The CSR Governance Committee with approval from president of committee shall contribute the agreed amount towards CSR activities as per the approved annual action plan.
- CSR-related disbursements by the Company will be treated as spent during the financial year, only if the same has, in turn, been spent by the Implementing Agencies if any.

- 
- Where the Company spends an amount in excess of its CSR obligation under the Act, subject to passing of the Board resolution, such excess amount, excluding surplus arising, can be set off against the CSR spends up to immediate succeeding 3 (three) financial years.
  - In alignment with the Companies Act, 2013, the statutory limit of **5% administrative overheads** applies only to the **company's own CSR expenditure** (i.e., costs incurred by Evalueserve for CSR staff, audits, monitoring, reporting, and related activities).
  - The administrative or overhead costs of implementing agencies (NGOs/partners) are **not included within this statutory 5% cap**.

### **Evalueserve Practice**

To ensure maximum funds are utilized for direct beneficiary impact, Evalueserve will cap implementing agency overheads at not more than 10% of the total project cost, and up to 15% in exceptional cases, especially in projects requiring high monitoring or capacity-building efforts. This shall be approved in writing by the President under an exception.

NGO staff costs directly related to project execution (such as field coordinators, trainers, teachers, healthcare providers) will be treated as program costs, not administrative overheads.

All such costs must be transparently declared by the implementing NGO at the proposal stage and captured in the agreement and budget.

### **Treatment of unspent CSR amount**

- The unspent CSR amount pertaining to an annual CSR project or not allocated to any project shall be transferred to any fund included in Schedule VII of the Act such as Prime Minister's National Relief Fund, Swachh Bharat Kosh or any other fund specified by the Central Government in this regard under the Act, within 6 (six) months from the end of the concerned financial year.
- If the unspent CSR amount pertains to an Ongoing CSR Project, the amount must be transferred to a separate bank account to be called as "Unspent CSR Account" within 30 (thirty) days of the end of the concerned financial year and is to be spent on CSR obligations as per this CSR Policy within a period of 3 (three) financial years.
- In case the Company is unable to spend the CSR obligation on the Ongoing CSR project within the prescribed period of 3 (three) financial years, it would be required to transfer the amount so unspent to any fund included in Schedule VII of the Act within 30 (thirty) days of the end of the concerned 3rd financial year.
- Wherever funds disbursed by the Company remain unspent at the financial year end and are lying with the Implementing Agency, the Company may either request the Implementing Agency to return the same directly to its Unspent CSR Account / other bank account OR treat the same as an advance to be utilized by the Implementing Agency, to meet the spend for the next financial year. In the latter case, the Company will separately meet its obligation to transfer the unspent funds either into an Unspent CSR Account or to a prescribed Fund.

---

The above treatment of unspent CSR amount pertaining to an annual CSR project and/or Ongoing CSR Project shall be in accordance with the provisions prescribed under the Act read with the Rules as amended from time to time.

## 8.5. Board Approval

- Final approval of CSR projects will rest with the **Board of Directors**, which includes Sandeep Kumar Dembla (overall approval) and Abhay Kumar Nayak (financial allocation including statutory 2% of profits and up to 5% expenditure on administrative costs), both of whom are the Directors in the India Entity.
- Projects recommended by the **CSR Team** shall be placed before the Board for review and ratification.

## 8.6. Disbursement of Funds

- Post-approval, fund disbursement will be facilitated by Finance SPOCs, after verification of documents and compliance checks within **07** working days.
- No CSR funds shall be disbursed to individuals; only registered implementing agencies, in accordance with the CSR Rules, will be eligible.

## 8.7. Project Monitoring and Renewal

- The CSR Team, along with Committee Members, will coordinate **field visits** and progress monitoring of projects as required.
- All implementing partners must provide **periodic reports** as per the agreement.

## 8.8. Renewal of projects

- shall be undertaken annually, based on: (Annexure II)
- **Internal Audit Scores**, evaluating compliance, impact, and utilization of funds.
- Projects failing to meet minimum audit or impact thresholds shall not be renewed unless an **exception approval** is provided by the President with due justification.

## 8.9. Documentation and Audit

- All agreements with implementing agencies will be vetted by the **Legal Team**.
- Final documents shall be signed by the **President** and prepared/reviewed by the CSR Team.
- Documentation will be maintained for **audit and disclosure requirements**.

---

## 9. Annexure I: Due Diligence Matrix

Criteria	Assessment Parameters	Weightage (%)	Scoring Scale (1–5)
Legal Compliance	NGO registration, CSR eligibility	Mandatory	1=Poor, 5=Excellent
Governance & Transparency	Board structure, audited financials, track record	20%	
Financial Health	Program vs admin cost ratio, fund utilization	20%	
Alignment with CSR Focus	Education, Skill Development, etc.	25%	
Impact Potential	Beneficiary reach, sustainability	15%	
Monitoring Capability	Reporting systems, past evaluations	20%	

---

## 10. Annexure II: Renewal Matrix

Criteria	Indicators	Decision Basis
Project Performance	Achievement of targets	Renewal if $\geq 90\%$ achieved as per project Impact report
Fund Utilization	Proper and timely utilization	Renewal if $\geq 90\%$ compliance
Declaration letter	No pending investigations from Govt. authorities	Renewal if 100% compliance
Reporting & Documentation	Accurate, timely reports	Renewal if consistent
Impact & Sustainability	Community benefit, strategy	Renewal if visible impact
Employee Engagement	Opportunities, feedback	Renewal if positive engagement
Compliance & Legal Checks	CSR eligibility, legal status	Renewal if compliant

---

# 11. Annexure III: Monitoring Visit Report – Pre-Funding Assessment (this shall vary depending upon Project thematic area)

## Monitoring Visit Report – Pre-Funding Assessment

**Organization Visited:**

**Thematic Area:**

**Visit Conducted By:**

- Name of Evalueserve team members
- Date of Visit:
- Location:

### 1. Organization Overview

Q1. What is the core mission and focus of organization?

### 2. Program Implementation Capacity

Q2. What kind of training programs are offered and to which groups?

Q3. Are trainers certified and infrastructure accessible for target categories?

### 3. Beneficiary Details and Reach

Q4. How many beneficiaries have been trained annually, and what is the placement rate?

Q5. Does organization maintain beneficiary records with follow-up tracking?

### 4. Legal and Documentation Review

Q6. Are all legal documents, registrations, and compliances in place?

### 5. Financial Transparency and Budget Utilization

Q7. Is the proposed budget reasonable and aligned with program goals?

### 6. Sustainability and Exit Strategy

Q8. What measures are in place to ensure long-term impact and sustainability?

### 7. Observations and Recommendations

Overall Impression:

Recommendation:

Recommendation for funding support

---

## 12. Policy Review

This CSR Policy will be reviewed periodically to remain aligned with statutory requirements, evolving best practices, and organizational objectives

---

## 13. Terms and Definitions

In this Policy, unless the context otherwise requires or if a term(s) or expression(s) is/are not defined, the following words, terms, expression and derivations will have the meanings assigned to them in the Companies Act 2013.

- **“Act” or “CA 2013”** means the Companies Act, 2013 from the government of India (“government or central government”) as amended from time to time.
- **“Company”** refers to each of the legal entities of Microsoft and its affiliates in India, that are required to execute CSR activities in accordance with the provisions contained in the CSR Rules under Act.
- **“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 program.
- **“Corporate Social Responsibility (CSR)”** means the activities undertaken by the Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the Rules, but shall not include the following, namely:
  - activities undertaken in pursuance of normal course of business of the company
  - activities undertaken in pursuance of normal business course of the company.
  - 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
  - contribution of any amount directly or indirectly to any political party under section 182 of the Act
  - activities or initiatives directly or indirectly benefiting employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) or their families.
  - any activities supported by the Company on sponsorship basis whether for deriving marketing benefits for its products or services or not.
  - activities carried out for fulfilment of any other statutory obligations under any law in force in India. Stand-alone donations i.e. donations not represented by an underlying CSR project or activity
- **“CSR Governance Committee” or “Committee”** means the Corporate Social Responsibility Committee of the Board of Directors referred to in section 135 of the Act.
- **“CSR Policy”** means this Policy and is a statement containing the approach and direction given by the Board of Directors of the Company, considering the recommendations of its CSR Committee, and includes guiding principles for selection, implementation, and monitoring of activities as well as formulation of the annual action plan.

- 
- “CSR Team” means a team of employees designated on a ‘full time’ basis on one more areas of planning, monitoring, evaluation, implementation or reporting on CSR projects or otherwise engaged in management or administration of the Company’s CSR/ESG program.
  - **“Implementing Agency”** means –
    - a registered public trust or a registered society or a company established under Section 8 of the Act, registered under section 12A and 80G of the Income Tax Act, 1961 established by the company, either singly or along with any other company, or
    - 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
    - any entity established under an Act of Parliament or a State legislature; or
    - a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and
    - having an established track record of at least three years in undertaking similar activity
  - **“Net profit”** 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 the following, namely:
    - any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
    - any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
      - **a.** “Ongoing Project” means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it 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 of Directors based on reasonable justification.
      - **b.** ‘Rules’ refers to the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any statutory amendments thereof.
  - **“Schedule VII”** refers to Schedule VII of the Companies Act, 2013.

