

TECHNVISION VENTURES LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY



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I. TITLE

This Corporate Social Responsibility Policy shall be called the Technvision Ventures Limited – Corporate Social Responsibility Policy (hereinafter referred as the “CSR Policy”)

II. SCOPE

This document outlines the Policy of Technvision Ventures Limited (hereinafter referred to as ‘Technvision’ or ‘the Company’) towards Corporate Social Responsibility, in accordance with section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 including all statutory modifications / amendments made thereof.

The Board of Directors may based on its assessment of the Company’s needs, financial soundness, legal and regulatory developments, subject to compliance with the applicable laws and rules, at any time modify, change, vary, alter, amend, this CSR Policy.

III. APPLICABILITY

The Policy shall apply to all CSR projects / programs / activities undertaken by the Company in accordance with the clauses contained herein.

IV. OBJECTIVE

The objective of framing this CSR Policy is to ensure that the Company operate its business in an economically, socially & environmentally sustainable manner by enhancing the quality of life & economic wellbeing of the society in fulfillment of its role as a Socially Responsible Corporate.

V. DEFINITIONS & INTERPRETATION

I) Definitions

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or reenactments thereof.

In this instrument the following expressions including their grammatical variations and cognate expressions shall, unless repugnant to the context or meaning thereof, have the meaning assigned to them respectively hereunder:

“Act” means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

“Associate Company” means a Company within the meaning of section 2(6) of the Companies Act, 2013.

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

“Board’s Report” shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.

“Company” means Technvision Ventures Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 1486(12-13-522), Lane No.13, Street No.14, Tarnaka, Secunderabad - 500007 and their successors and assigns.

“CSR” means Corporate Social Responsibility.

“CSR activities” means the activities or projects or programmes as recommended by the CSR Committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the clause VI(i).

“CSR Committee” means the Committee of the Board constituted for the purpose of administration of CSR activities, supervising the adherence of this CSR Policy and the matter incidental thereto.

“CSR Policy” means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

“CSR Rules” means Companies (Corporate Social Responsibility) Rules, 2014.

“Independent Director” means a non-executive director of the Company within the meaning of section 2(47) of the Companies Act, 2013 and clause 49(1)(a)(iii) of the Listing Agreement entered with the Stock Exchange(s).

“Holding Company” means a Company within the meaning of section 2(46) of the Companies Act, 2013.

“SEBI” means the Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992.

“Subsidiary Company” means a means a Company within the meaning of section 2(87) of the Companies Act, 2013.

II) Interpretation

In this document, unless the contrary intention appears:

- a) the singular includes the plural and vice versa;
- b) the word “Person” includes an individual, a firm, a body corporate or unincorporated entity or any authority; and
- c) any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders.

III) Article Headings

Article headings are for information only and shall not affect the construction of this document.

IV) References

- a) A reference to a Clause is respectively a reference to a Clause of this document.
- b) Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.

VI. CSR ACTIVITIES:

- i. The Company shall undertake various CSR activities as recommended by the CSR Committee and approved by the Board from time to time in any one or more of the areas falling under the following as specified in Schedule VII of the Act:
 - a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
 - b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
 - c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water,
- e. 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 arts and handicrafts.
- f. Measures for the benefit of armed forces veterans, war widows and their dependents.
- g. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
- h. Contribution to the Prime Minister's National relief fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women.
- i. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- j. Rural development projects.
- ii. The CSR activities shall be undertaken by the Company in adherence with this CSR Policy, either new or ongoing and shall exclude activities undertaken in pursuance of its normal course of business.
- iii. The CSR activities shall be undertaken only in India.
- iv. The CSR activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with this Policy.
- v. Contribution of any amount directly or indirectly to any political party under section 182 of the Act by the Company, shall not be considered as CSR activity under this Policy.

VII. POWERS OF THE BOARD:

- i. The Board of the Company will be responsible for:
 - a. Forming a CSR Committee with such Directors as its members as it may deem fit and in accordance with the section 135 of the Act read with CSR Rules.
 - b. Reviewing and approving the CSR policy as recommended by the CSR Committee.

c. Monitoring the implementation of the CSR policy by the CSR Committee in accordance with this Policy.

d. Ensuring that the Company spends on the CSR activities as per clause IX (2) of this Policy. In case the Company fails to spend the said amount during any financial year in CSR activities, then the Board shall in its report specify the reasons for such failure.

e. Ensuring that in every financial year, the funds budgeted by the Company for CSR activities are utilized effectively.

f. Disclosing in its report, the annual report on CSR as per the format specified under CSR Rules.

g. Ensuring the placing of CSR Policy on the Company's website in such manner as may be prescribed by the Ministry of Corporate Affairs or any other regulatory bodies of India.

ii. The Board may decide to undertake the CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise. Provided that:

(a) if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;

(b) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

iii. The Board may also decide to collaborate with other companies for undertaking the CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such CSR activities in accordance with CSR Rules.

iv. The Board, if required, may also appoint any external agency for the purpose of measuring the impact of the work done or a social satisfaction survey.

v. The number of members of CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to Act and such rules and regulations as may be in force. The Board may also provide that the CSR Committee shall exercise certain powers only after consultation with the Board and in such case the said powers shall be exercised accordingly.

vi. The Board in its absolute discretion may from time to time modify, change, vary or the CSR Policy, provided that such amendment or alteration shall be in compliance with the applicable clauses of Act and CSR Rules.

VIII. CSR COMMITTEE:

i. Purpose:

The Corporate Social Responsibility (CSR) Committee of the Company will be formed by the Board of Directors of the Company to assist the Board in carrying out its responsibilities as per the CSR policy of the Company.

ii. Composition of the CSR Committee:

a. The CSR committee shall comprise of three or more directors as the Board may deem fit from time to time, to be appointed from amongst the Directors. Provided however that at least one of the directors of the CSR Committee shall be an Independent Director. The Board shall at its sole discretion, have the power to appoint any Director, remove any such Director so appointed and appoint another in his place. Any such appointment and/or removal shall be made by a resolution of the Board.

b. The Chairperson of the Committee shall be designated by the Board from among the Committee members.

c. The Company Secretary of the Company shall act as Secretary to the Committee.

d. The Board will have the power to reconstitute CSR Committee as and when required from time to time.

iii. Meetings:

The CSR committee may meet as and when required. The CSR Committee shall be entitled to invite any person to attend its meetings and participate in the discussion and deliberations if it so thinks fit.

iv. Quorum:

The quorum necessary for the transaction of business of CSR Committee shall be 2 members or 1/3rd of the total committee members, whichever is higher. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee as provided herein and delegated by the Board from time to time.

v. Roles:

CSR Committee shall ensure the following:

- a. Formulation of CSR policy in accordance with section 135 of Act read with CSR Rules, and recommends the same to the Board for approval and adoption.
- b. Monitor the implementation of CSR policy in the Company as provided herein.
- c. Identification of the activities to be undertaken by the Company under CSR activities as provided herein under clause VI(i).
- d. Preference is given to the local area and areas around the place where Company operates, for spending the amount earmarked for CSR activities.
- e. Identification of the geographical areas in and around the facilities of the Company and other areas, for spending the amount earmarked for CSR activities.
- f. Recommendation to the Board the amount of CSR expenditure to be incurred on the activities as referred to under clause VI(i) of this Policy.
- g. Recommendation to the Board for modification(s) to the CSR policy as and when required.
- h. Establish a transparent monitoring mechanism for implementation of the CSR activities undertaken by the Company.
- i. Frame any other byelaws, rules or procedures as it may deem fit for administering the CSR Policy.
- j. CSR Committee, in the exercise of its powers, may require any information from the company, and / or seek the assistance of any employee of the Company as it may deem fit to effectively discharge its duties.
- k. Perform all functions as may be delegated by the Board from time to time.

IX. CSR EXPENDITURE:

1. CSR Committee will recommend the annual budgeted expenditure project wise to the Board for its consideration and approval in accordance with section 135 of the Act and CSR Rules.
2. For every financial year, minimum CSR spending of the Company would be computed as 2% of the average net profits made by the company during every block of three preceding financial years.

3. For the purpose of calculation of CSR spending the "Net profit" means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act and shall be calculated in accordance with the provisions of section 198 of the Act but shall not include the following namely–
 - (i). any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; or
 - (ii) any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act.
4. The expenditure shall be made on the CSR activities as specified under clause VI(i) and approved by the Board.
5. Any surplus arising out of CSR activities shall not form part of business profit of the Company.
6. If the Company is unable to spend the minimum amount required, on its CSR activities, the reasons for not doing shall be specified in the Board Report.

X. IMPLEMENTATION & REPORTING:

1. The CSR Policy shall be implemented by the CSR Committee under the broad policy and frame work laid down by the Board in this regard from time to time.
2. The CSR Committee shall identify the CSR activities along with the geographical area to be undertaken by the Company based on the detailed study & research. The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, population data – below the poverty line and above the poverty line, state of infrastructure, environment, among others.
3. The CSR Committee shall also estimate the total amount of expenditure to be incurred and time required by the Company for undertaking such CSR activities.
4. On determination of the modalities, the CSR Committee shall present a detailed proposal before the Board containing:
 - List of CSR activities to be under taken.
 - Geographical areas wherein such CSR activities are to be undertaken.
 - Defined objectives (developed out of existing societal needs determined through baselines / studies / research).
 - Defined expected timelines, outcomes, outputs and inputs.
 - Budget.
 - Implementation source, either directly or through some trust, society, company or otherwise.
 - Monitoring system.

5. The Board shall review the proposal of the CSR Committee and if deems fit may approve the recommendation of the Committee.
6. The CSR Committee shall authorize one of its members to approve the release of funds against the verified work plans in accordance with the approved budget for undertaking the CSR activities as approved by the Board. Such authorized members shall periodically update the members of the Committee about the allocation / utilization of funds towards the CSR activities.
7. In case the CSR activities are undertaken directly by the Company, the CSR Committee with the help of any department of the Company shall direct and supervise the implementation of the CSR activities which may include field visits, interaction with the beneficiary communities etc. The Company shall provide the adequate manpower and resources for the effective implementation of the approved CSR activities as may be undertaken from time to time.
8. In order to widen the Company's reach and leverage upon the collective expertise, wisdom and experience, the CSR activities can be undertaken through registered trust, society or company. However if such registered trust, society or company are not established by the Company, the Committee shall ensure that periodical reports are provided to the Committee on the activities undertaken, amount spent, benefits arrived, areas covered etc by such registered trust, society or company from time to time. The CSR Committee shall also have power to conduct an audit of such trust, society or company in order to ensure that the CSR assignment has been undertaken as per the instructions of the CSR Committee.
9. The CSR Committee shall provide periodical report to the Board on the implementation of CSR activities.
10. On completion of the CSR activities, the Chairman of the CSR Committee shall provide a detailed report to the Board including but not limited to activities done, amount spent, benefits, time consumed, type of beneficiary communities, implementation channel etc and shall be certified by the Chairman of the CSR Committee. All CSR activities shall be measured against targets and budgets.
11. The CSR Committee for the effective implementation of CSR Policy shall promote CSR activities as approved by the Board by offering opportunities to employees to participate in wide array of CSR activities.
12. The Board shall disclose in its report, the annual report on CSR as per format specified under CSR Rules. In case the Company could not spend the amount as per clause IX(2) the Board shall in its report specify the reasons for such failure.

13. The Board shall ensure the placing of CSR Policy on the Company's website in such manner as may be prescribed by the Ministry of Corporate Affairs or any other regulatory bodies of India.