

**CORPORATE SOCIAL RESPONSIBILITY POLICY OF TBO TEK LIMITED  
FRAMED UNDER SECTION 135(3)(A) OF THE COMPANIES ACT, 2013**

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<i>Corporate Social Responsibility Policy of TBO Tek Limited.....</i>	<i>1</i>
<i>Framed Under Section 135(3)(a) of the Companies Act, 2013 .....</i>	<i>1</i>
1. <i>History.....</i>	<i>2</i>
2. <i>Background.....</i>	<i>2</i>
3. <i>Regulatory Framework .....</i>	<i>2</i>
4. <i>CSR Vision .....</i>	<i>3</i>
5. <i>Definitions.....</i>	<i>3</i>
6. <i>CSR Committee .....</i>	<i>4</i>
7. <i>Responsibilities of the Board .....</i>	<i>5</i>
8. <i>Focus Area of CSR Activities .....</i>	<i>5</i>
9. <i>Funding and Allocation .....</i>	<i>6</i>
10. <i>Monitoring and Review Mechanism .....</i>	<i>7</i>
11. <i>Disclosures.....</i>	<i>7</i>

## **1. History**

In accordance with requirements laid down under The Companies (Corporate Social Responsibility Policy) Rules, 2014 issued by the Ministry of Corporate Affairs (“MCA”), under Section 135 of the Companies Act, 2013 a CSR Policy, was adopted by the Board of Directors on October 12, 2015.

Consequent to the conversion of the Company into public limited Company and further to align the CSR Policy with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company is required to reconstitute the CSR Committee of the Board to comply with the provisions of the Companies Act 2013.

Accordingly, the board of directors of the Company (“Board”) has adopted a revised CSR policy at its meeting held on February 28, 2021 which can be amended from time to time.

## **2. Background**

Corporate Social Responsibility (“CSR”) is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Corporates must recognize that their business activities have wide impact on the societies in which they operate. Social and environmental responsibility has always been at the forefront of TBO Tek Limited (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited) (“**Company**”) Operating philosophy and as a result, Company consistently contributes to socially responsible activities. Corporate Social Responsibility (CSR) at TBO Tek Limited portrays the deep symbiotic relationship that the company enjoy with communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organisation must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates.

## **3. Regulatory Framework**

In accordance with the provisions of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (‘CSR Rules’) every company having:

1. Net Worth of Rs. 500 crore or more; or
2. Turnover of Rs. 1,000 crore or more; or
3. Net Profit of Rs. 5 crore or more

during the immediately preceding Financial Year shall constitute a Corporate Social Responsibility Committee (‘CSR Committee’) of the Board consisting of three or more directors, out of which at least one director shall be an Independent Director.

#### 4. CSR Vision

1. Develop meaningful and effective strategies for engaging with all stakeholders.
2. Consult with local communities to identify effective & culturally appropriate development goals.
3. Partner with credible organizations like trusts, foundations etc. including non-government organisations.
4. Check and prevent pollution; recycle, manage and reduce waste, manage natural resources in a sustainable manner.
5. Ensure efficient use of energy and environment friendly technologies.

#### 5. Definitions

Term	Definitions
Act	“Act” means the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).
Company	Company shall mean TBO Tek Limited (Formerly TBO Tek Private Limited and Tek Travels Private Limited).
Board	Board shall mean the Board of Directors of the Company.
Corporate Social Responsibility	“Corporate Social Responsibility” or “CSR” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act, but shall not include the following: <ol style="list-style-type: none"> <li>i. activities undertaken in pursuance of normal course of business of the Company;</li> <li>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;</li> <li>iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;</li> <li>iv. activities benefitting employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);</li> <li>v. activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services; and</li> <li>vi. activities carried out for fulfillment of any other statutory obligations under any law in force in India.</li> </ol>
CSR Committee	“CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
CSR Policy	“CSR Policy” means a statement containing the approach and direction given by the board of a company, taking into account 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;

Net profit	<p>“Net profit” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: –</p> <ol style="list-style-type: none"> <li>i. any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and</li> <li>ii. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act;</li> <li>iii. Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;</li> </ol>
CSR Committee	<p>“CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;</p>
CSR Expenditure	<p>“CSR Expenditure” shall include all expenditure including contribution to corpus for projects or programs relating to the CSR activities approved by the Board on the recommendation of its CSR Committee but shall not include any item not in conformity or not in line with activities which fall within the areas or subjects specified in Schedule VII to the Act.</p>

## **6. CSR Committee**

### **A. Composition of the CSR Committee**

The Board shall constitute the CSR committee of the Board in accordance with the Act consisting of three or more directors, out of which at least one director shall be an independent director.

### **B. Responsibilities of the CSR Committee**

The responsibilities of the CSR Committee include:

- a. formulate and recommend to the Board an annual action plan in pursuance of its CSR policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- b. recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and ensure transfer of unutilized fund as directed in the Act;
- c. monitor the Corporate Social Responsibility Policy and ensure that the Company is taking appropriate measures for successful implementation of CSR activities and CSR Funds from time to time.
- d. Committee shall ensure due compliance of CSR activities with applicable laws; and
- e. Such other responsibilities as entrusted by the Board from time to time.

## **7. Responsibilities of the Board**

The responsibilities of the Board concerning CSR are as follows:

- Approve the CSR Policy based on the recommendation of the CSR Committee;
- Approve CSR Strategies and CSR budgets;
- Approve the CSR activities and annual CSR plan based on the recommendation of the CSR Committee;
- To ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy; and
- Review the CSR Policy and CSR activities

## **8. Focus Area of CSR Activities**

The specific programs/activities under these focus areas will be finalised during each year and submitted for approval of the Board. Company may take up other projects, programs or activities relating to entries as per Schedule VII of the Companies Act or as amended from time to time, as it may consider appropriate.

- i. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach 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, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 48[including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- 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 arts and handicrafts;
- vi. measure for the benefit of armed force 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 Olympics sports;
- viii. contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief

and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;

- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and  
  
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT)
- x. rural development projects.
- xi. slum area development.
- xii. disaster management, including relief, rehabilitation and reconstruction activities.

## **9. Funding and Allocation**

1. CSR Expenditure shall be at least 2 per cent of its average net profits of the three preceding financial years towards CSR activities. The net profit will be estimated in accordance with the provisions of Section 198 of the Act read with the Companies (Corporate Social Responsibility Rules), 2014. The budget will be based on recommendation by the CSR Committee.
2. Any surplus generated from CSR projects shall not be added to the normal business profits of the Company and shall be treated as follows:
  - a. Ploughed back into the same project; or
  - b. Transferred to an Unspent CSR Account and spent in pursuance of CSR policy and Annual Action Plan of the Company; or
  - c. Transferred to a Fund specified in Schedule VII, within the prescribed timeline as specified in the CSR Rules.
3. The Company may spend up to 5 percent of its total CSR expenditure towards administrative overheads for the financial year for the purpose of CSR functions in the Company.
4. In case the Company spends an amount in excess of the requirements of its CSR obligations in a financial year, such excess amount may be set-off against the requirement of the CSR Spending under sub-section (5) of Section 135 upto the immediate succeeding 3 financial years or such time as may be prescribed under law subject to the fulfilment of

conditions as specified under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

### **10. Monitoring and Review Mechanism**

1. Each of the CSR projects and programmes would have clearly defined output, outcome and process indicators which will have to be reported on at specified frequencies, which will be at least half yearly.
2. All projects and programmes will be monitored by the CSR committee based on these reports and regular field visits. The monitoring process will cover both programme and financial reviews.
3. The CSR Committee will receive quarterly progress reports of all CSR activities of the company.

Further, any or all provisions of the CSR Policy would be subject to revision/ amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.

### **11. Disclosures**

1. The company shall disclose composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the website of the Company i.e., at [www.tbo.com](http://www.tbo.com) and a web link in the Annual report.
2. Appropriate disclosures as required under the Act shall be made in the Annual Return, Directors Report etc.