



"KTPL Corporate Social Responsibility (CSR) Policy "*

**This policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of KTPL and provisions of Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and the notifications and circulars issued by the Ministry of Corporate Affairs from time to time*



Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



TABLE OF CONTENTS

Sl. No.	Topic	Page No.
1	Preamble	
2	Short Title and Applicability	
3	Objectives	
4	CSR Committee	
5	Scope of activities	
6	Area of Operation	
7	Budget	
8	Financial Component	
9	CSR Committee and Responsibilities of the Committee	
10	Annual Action Plan for CSR	
11	Selecting the CSR Project	
12	Implementing the CSR Project	
13	Monitoring Process	
14	CSR Reporting	
15	Amendments / Conclusion	

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



1. PREAMBLE:

Corporate Social Responsibility (CSR) is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. CSR extends beyond philanthropic activities and reaches out to the integration of social and business goals.

2. SHORT TITLE AND APPLICABILITY:

This Policy is titled as 'KTPL CSR Policy' and has been designed in compliance with the provisions of the Companies Act, 2013 (hereinafter to be known as Act) read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (hereinafter to be known as Rules 2021). It encompasses the Company's philosophy for pursuing its role as a corporate citizen and lays down guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan basis the approach and direction given by the Board, taking into account the recommendations of its CSR Committee.

The policy shall apply to all CSR initiatives and activities taken up by the Company at various locations in the state of Karnataka for the benefit of different segments of the society.

3. OBJECTIVES:

The main objectives of the CSR policy is to lay down guidelines for CSR activities of KTPL, in compliance with the requirements of Companies Act, 2013 and rules made there-under.

4. CSR COMMITTEE:

The Board has constituted a CSR Committee of three Directors of the Board as under:

01	Sunil, Director – Karthavya Technologies Private Limited	Chairman
02	Sathisha Nayak Bellarpadi, Director – Karthavya Technologies Private Limited	Member
03	Hunsur Shankar Rao Manoj Kumar, Director – Karthavya Technologies Private Limited	Member & Convener

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



The CSR Committee will:

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII forming part of Section 135 of the Companies Act, 2013.
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The amount released under CSR and implementation of the projects / programs / activities will be monitored by the CSR Committee.

5. SCOPE OF ACTIVITIES:

The Board, duly considering the recommendations of the CSR Committee shall approve the CSR Policy of the Company and will disclose the contents of the policy in its reports to members and also on the Company's website. The Board shall also ensure that, the activities included in the CSR Policy are undertaken by the Company during the relevant financial year for its implementation within the overall policy frame work, and the provisions of Companies Act thereof.

The following activities as specified under Schedule VII to the Companies Act, 2013 will be considered as CSR activity –

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



4. 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; [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].
5. 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.
6. Measures for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
8. contribution to the Prime Minister's National Relief Fund and Contribution to Prime Minister's Citizen 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 Scheduled Tribes, other backward classes, minorities and women.
9. (a) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; Contribution to 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.

(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 Défense 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).
10. Rural development projects.
11. Slum area development, as notified by the appropriate authority. The activities as above will undergo amendments/changes if any to be notified by Government from time to time.
12. Disaster management, including relief, rehabilitation and reconstruction activities.

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



6. AREA OF OPERATION:

The Company is a Private Limited Company operating in the state of Karnataka. The focus for the CSR Activities will be all over India.

7. BUDGET:

Board shall ensure that the Company should spend in every financial year, at least two per cent of the Average Net Profits of the Company made during the three immediately preceding financial years if the Company exceeds the limitations in the preceding financial year described under the section 135 of the Companies Act, 2013 in pursuance of its Corporate Social Responsibility, Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR Activities.

The Surplus arising out of CSR Activities and funds in balance due to cancelled Projects (duly approved by the Board), and other such income, may be included in the CSR Corpus.

8. FINANCIAL COMPONENT:

The Company shall spend in every Financial Year at least 2 (two) percent of the Average Net Profits of the Company made during the 3 (three) immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:

- a) **TREATMENT OF UNSPENT AMOUNT:** If the Company fails to spend 2% of the Average net profit, then the unspent amount shall be in accordance with the Rules prescribed under the Companies, Act, 2013 as amended from time to time.
- b) **ONGOING PROJECT:** [Rule 2(1) (i)] 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.
- c) 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. "

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



d) SURPLUS:

Prior to end of Financial Year, CSR Committee shall place for Board consideration and Approval, details of the Completed Projects (with Utilization Certificates) and the surplus amount generated with reasons thereof. Any SURPLUS arising out of CSR expenditure shall not form part of the business profit of the Company.

The Surplus amount shall be:

- (i) Ploughed back into the same project OR
- (ii) Transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company OR
- (iii) Transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

e) SET OFF OF EXCESS:

In the event of the Company spending an amount in excess of requirement provided under sub section 5, such excess amount may be set off against the requirement to spend under this subsection for the immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not be included in the Surplus arising out of CSR activities. Company's Board shall pass a resolution to that effect.

f) CAPITAL ASSET:

A capital asset acquired or created by the Company through CSR funding shall be held only by entities as specified in Section 7(4) of the Rules 2021.

9. CSR COMMITTEE AND RESPONSIBILITIES OF THE COMMITTEE:

"CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;

RESPONSIBILITIES OF THE COMMITTEE

To achieve the above objectives, CSR Committee will have, inter alia, the following roles, powers and responsibilities: -



- i) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made there under and make any revisions therein as and when decided by the Board.
- ii) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes.
- iii) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- iv) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- v) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

10. ANNUAL ACTION PLAN FOR CSR

The Committee shall formulate and recommend to the Board, an annual action Plan in pursuance of its CSR Policy which will include the following

- (a) The List of CSR Projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) The manner of execution of such Projects or Programmes;
- (c) The modalities of the utilization of funds and implementation schedules for the projects or programmes;
- (d) Monitoring and reporting mechanism for projects and programmes;
- (e) Details of need and impact assessment, if any, for the Projects undertaken by the Company:

Provided that the Board may alter such a plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to the effect. Appropriate documentation of KTPL CSR Policy, Annual CSR Activities, executing partners and expenditure will be undertaken on a regular basis.



11. SELECTION OF THE PROJECT:

- 1) All eligible organizations/Institutions/Trusts/AOPs/Companies including companies formed with charitable objectives /Boards & Corporations/Govt. institutions/State & Dist. Authorities such as Deputy Commissioners and Zilla Panchayaths, State Regional and other/Dist. level departments, can apply for contribution under CSR.
- 2) The proposal on CSR should contain the following details:
 - a) Request letter
 - b) Name of the projects
 - c) The cost of the project together with its plan and cost estimates and means of finance thereof.
 - d) Time limit for completion of the project
 - e) Copy of the Board of management approval for the project.
 - f) Copy of byelaws / trust deed/ memorandum of association & articles of association or such other laws applicable to the concerned institution. The Trust seeking contribution under CSR should have been established without profit motive/share of profits to the trustees.
 - g) An undertaking letter that the institution will abide by the terms and conditions of the CSR policy of KTPL.
 - h) In case of Trusts/ NGO's, in addition to the approval of the Registrar of societies; it should be ensured that the concerned NGOs/Trusts, also possess certification/recognition from the concerned State/Central Govt. department/s, wherever applicable.
- 3) Individual proposals have to be within the framework of the CSR projects/programmes/activities.
- 4) Every CSR proposal has to be projected, inter-alia covering its activities, time frame, financial requirement, organizational responsibilities/commitments on timely completion of the project.
- 5) The proposals received may be subject to preliminary inspection by CSR Committee so as to consider its overall eligibility under the scope of CSR Policy of the Company.
- 6) The amount released under CSR will be subject to inspection by Project Monitoring Unit at regular intervals till the completion of the project.

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



- 7) The organization will have to furnish utilization and completion certificate on the projects sanctioned under CSR and an undertaking in this regard has to be furnished by the concerned institution, before availing disbursement.
- 8) The concerned institution has to refund the un-utilized amount sanctioned and released by KTPL under CSR.
- 9) The institution concerned has to utilize the funds meant for the project in a transparent manner.
- 10) In case of project/s partly sanctioned by KTPL, the concerned institution has to give an undertaking as to how the balance amount will be met by them for completion of the project/s under CSR.
- 11) The company reserves the right to recall the amount released under CSR without assigning any reasons in case if it comes to the notice of KTPL that the amount released for the project is not utilized for the same.

12. IMPLEMENTATION OF PROJECTS: ELIGIBILITY CRITERIA

Board shall ensure that CSR activities are undertaken by the Company itself or through–

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- (b) 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
- (c) Any entity established under an Act of Parliament or a State legislature; or
- (d) 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 activities
- (e) Every entity, covered under sub-rule (1), who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021 To avoid Conflict of interest, CSR Funding may not be extended to Institutions/eligible intermediaries where an employee of our Company or a Board Member is associated in an Official capacity or otherwise.

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM



13. MONITORING PROCESS:

KTPL CSR Committee shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. KTPL CSR Committee shall also determine the manner of submission of information, reports, files, etc. by third parties as a part of the monitoring process. KTPL CSR Committee shall ensure that a transparent monitoring mechanism is put in place.

In the event the Company wishes to implement the CSR activities undertaken by it through implementing agencies, a report on the progress made by such implementing agencies are to be submitted to the CSR Committee for its review. The CSR Committee shall periodically report to the Board on the progress made by the Company in implementing the CSR activities undertaken by it.

14. CSR REPORTING:

I. The Board's report shall include an annual report on CSR (containing particulars as required under the CSR Regulations), projects, programs and activities undertaken by the Company in the relevant financial year;

II. The KTPL CSR Committee shall provide a responsibility statement on the implementation and monitoring of the CSR Policy and that it is in compliance with CSR philosophy of KTPL, which statement shall form part of the Board's Report;

15. AMENDMENTS/CONCLUSION:

This Policy will form the framework for functioning of the CSR activities of the Company. Any or all provisions of the CSR Policy will be subject to revision/amendment in accordance with guidelines issued by the Appropriate Authority, from time to time.

Karthavya Technologies Private Limited

#26 ,HMR Building ,Annaiah Reddy Layout, Ramamurthi Nagar Main Road,Bengaluru - 560043

ROC No: U72900KA2006PTC040273 | PAN: AACCK8796Q | GST: 29AACCK8796Q2Z9

PHONE: +91 74115 99275 WEBSITE: WWW.KARTHAVYA.COM