

# Corporate Social Responsibility Policy

PRIONE BUSINESS SERVICES PRIVATE LIMITED



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\*Revised Policy approved by Board at its Meeting held on 27 April 2017.



## 1. Preamble

Prione Business Services Private Limited (hereinafter referenced as the '**Company**') is a company incorporated under the Companies Act, 1956.

It is the Company's endeavour to conduct its business in a socially, ethically and environmentally sound manner, in fulfilment of its role as a socially responsible corporate. With this objective, the Company is committed to undertake corporate social responsibility ('**CSR**') activities in accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 framed thereunder in this regard, as amended from time to time. ('**Applicable Laws**').

This Corporate Social Responsibility Policy ('**CSR Policy**') has been prepared by the Corporate Social Responsibility Committee ('**CSR Committee**') of the Board of Directors of the Company ('**Board**') and has been approved by the Board at its meeting held on 20<sup>th</sup> June, 2016<sup>A</sup>.

## 2. Purpose / Objectives

The key purpose and objectives of this CSR Policy are to:

- Establish the CSR governance structure of the Company.
- Establish a CSR framework in accordance with the Applicable Laws within which the efforts of the Company and its employees towards achievement of the CSR objectives shall be channelised.
- Identify broad areas in which CSR projects will be undertaken by the Company.
- Serve as a guiding document to help define, execute, monitor & evaluate impact and report all CSR projects undertaken or proposed to be undertaken by the Company.
- Define the manner in which the surpluses from CSR projects will be treated.

## 3. Policy Statement

The Company's CSR vision is to empower community and transform lives. The Company will use its resources to support India's development through the communities in which it operates. The Company plans to do this through community engagement in partnership with its employees, customers, partners, government bodies and civil society.

## 4. Applicability

This CSR Policy applies to all CSR projects undertaken by the Company. The Company shall ensure all these CSR activities are (i) excluding activities undertaken in pursuance of its normal course of business; (ii) are not which directly benefit only the employees of the Company and their families; and (iii) are in compliance with the Applicable Laws. This CSR Policy shall be periodically reviewed and updated by the CSR Committee with the approval of the Board in accordance with Applicable Laws.

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## 5. Corporate Social Responsibility Committee ('CSR Committee')

The Board has constituted the CSR Committee which will create a robust and transparent governance structure and monitoring mechanism to approve and oversee the implementation of CSR projects. Pursuant to the Applicable Laws, the CSR Committee shall consist of such members as may be decided by Board from time to time.

The CSR Committee shall meet on such intervals as may be felt necessary by the CSR Committee or as may be directed by the Board.

## 6. Key Focus Areas

The Company is committed to use its resources and infrastructure of innovation and technology to create opportunities in the communities it operates in, through its CSR projects. The Company will undertake projects that support and further India's development in the fields of (i) livelihood enhancement; (ii) education; (iii) sanitation and preventive health care; (iv) disaster relief management; and (v) promotion of sports ('CSR Focus Areas'), through various initiatives involving community engagement.

The Company will undertake long-term projects which have measurable as well as verifiable outcomes and impact on the society. These projects will be implemented either directly by the Company or through implementation partners with a proven track record in the CSR Focus Areas. The Company also plans to expand to other focus areas, in accordance with Schedule VII of the Companies Act, 2013, as and when required to ensure maximum impact in empowering communities and transforming lives.

### 6.1 Livelihood Enhancement

The Company intends to transform lives by creating opportunities for youth in the communities it operates through skill development and widening their knowledge base. Based on the market requirements, the Company will empower the youth to gain employment through the medium of training and skill-building.

### 6.2 Education

Education is one of the key CSR Focus Areas of the Company in its bid to transform lives and inspire students in order to strive for learning and knowledge thereby facilitating achievement of intellectual growth and financial sustainability. The Company will enable schools to provide quality learning experience facilitating all-round development of students in the educational institutions identified by the Company. The Company also plans to undertake special education initiatives targeting local concerns.

### 6.3 Sanitation & Preventive Healthcare

The Company believes that the only way to a healthy community is through general health awareness. As part of this initiative, the Company will promote health care including preventive health care and sanitation, and invest in creating infrastructure for providing health and sanitation facilities.

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#### 6.4 Disaster Relief

The Company is sensitive to the needs of the people who have been affected by natural disasters and calamities and shall take steps towards their rehabilitation, rebuilding and recovery. The Company will work with implementation partners and state/national disaster coordination committees to support relief measures and systematic distribution of relief items including provision of foodstuff and medicines.

#### 6.5 Promotion of Sports

The Company shall endeavor to implement programs which focuses on training for rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

### 7 CSR Budget

The CSR annual budget allocation of the Company, in each financial year, will be at least 2% of the average net profit of the Company for the immediately preceding three financial years or such other amount as may be required by the Applicable Laws, whichever is less ('**CSR Budget**'). Any surplus generated from CSR projects undertaken shall be pooled into the CSR corpus and the CSR Budget shall be computed accordingly. These funds shall further only be used in development of the CSR projects and shall not be added to the profits of the Company.

Any unspent / unutilized CSR allocation of a particular year will be carried forward to subsequent financial year, at the discretion of the Board and shall not be added to the business profits of the Company. Such unspent amount which is carried forward to the subsequent financial year shall be over and above the CSR Budget calculated for such subsequent financial year.

### 8 CSR Projects

The CSR Committee shall prepare an annual plan of the CSR projects proposed to be undertaken by the Company within the aforesaid CSR Focus Areas from time to time, which shall list the said projects along with (i) the modalities of execution of such projects and their implementation schedules; (ii) the proposed financial allocation from the CSR Budget; (iii) the quantifiable outcomes of the CSR projects; (iv) monitoring process of such projects; and (v) any other details that the CSR Committee may deem fit for inclusion therein ("**CSR Plan**"). Such CSR Plan shall be submitted to the Board along with the CSR annual budget for its approval. The CSR Plan approved by the Board under this Clause shall be read and construed as forming a part of this CSR Policy.

#### 8.1 Project Approval

The projects identified by the CSR Committee will be considered and evaluated by the Board for review and approval in the form prescribed in Annexure A. After evaluation, the Board will communicate to the CSR Committee its approval including with respect to the expense to be allocated for such project from the CSR Budget and the modalities of execution and monitoring of the said project.

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## 8.2 Implementation

The implementation of the approved projects will be led by the Chairman - CSR Committee along with a dedicated project team, under the guidance and supervision of the CSR Committee / Board. These projects shall be implemented, either directly by the Company or in partnership with an implementing agency or in collaboration with other corporates. The CSR Committee will ensure that all these implementing agencies comply with the requirements under the Applicable Laws.

## 8.3 Monitoring

Company's dedicated project team together with the implementing agency, if any, will collaborate with stakeholders to monitor the status of each project and will report its findings to the CSR Committee periodically. The CSR Committee will keep the Board updated on the progress of CSR projects undertaken by the Company and the expenditure incurred thereon.

## 8.4 Reporting

The Board, in consultation with the CSR Committee, will annually publish a CSR Report in the format prescribed under Applicable Laws, as a part of the Board's report. The Board shall ensure that an amount equivalent to that mandated under Applicable Laws is spent from the CSR Budget in every financial year, failing which the Board shall disclose the reasons for not spending the said amount in the manner prescribed under the Applicable Laws.

## 9 Interpretation of the CSR Policy

In case of any ambiguity or uncertainty concerning the provisions of this CSR Policy or their interpretation, the power to interpret this CSR Policy and also in respect of matters not covered herein shall rest with the Board whose decision in this regard, pursuant to a reference made to it by the CSR Committee, shall be final and binding.

## 10 Revisions to the CSR Policy

Revision/amendments to this CSR Policy can only be made by the CSR Committee with the consent of the Board provided as a resolution passed approving the duly revised CSR Policy.

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## Annexure A

### PROJECT APPRAISAL FORM

S. No.	Particulars
1	Details and Background of the CSR Project proposed to be undertaken ("Project");
2	Identify the areas of impact and the community which will benefit from the Project;
3	What is the duration of the Project and what are the significant milestones this Project will achieve;
4	What is the estimated cost of the Project with timelines spread across the duration and whether the same can be undertaken within approved CSR Budget of the Company;
5	What is the estimated cost of overheads and administrative expenses (including the cost of implementing agency, if any) required to implement the Project and whether the same is within the threshold of 5% of the CSR Budget;
6	Whether the Project will be executed / implemented by the Company or through an implementation agency? If yes, whether the implementation agency meets the criteria as provided under the Applicable Laws.

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