

**IITM Pravartak Technologies Foundation
CORPORATE SOCIAL RESPONSIBILITY POLICY**

1. Short Title:

This policy about the Corporate Social Responsibility ("**CSR**") of IITM Pravartak Technologies Foundation (hereinafter referred to as 'Pravartak' or 'the Company') is titled the "**CSR Policy**". It shall include any alterations, amendments or modifications from time to time.

2. Objective:

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR one of the key focus in making a positive contribution to society through effective impact and sustainable development programs. This Policy covers the proposed CSR activities to be undertaken by the Company and ensures that they are in line with Schedule VII of The Companies Act 2013 (hereinafter referred to as the 'Act') as amended from time to time. It covers the CSR activities which are being carried out in India only. Our CSR Registration Number is CSR00018668.

The **IITM Pravartak Technologies Foundation** is a Section 8 Company established to host the Technology Innovation Hub (TIH) on Sensors, Networking, Actuators, and Control Systems (SNACS), with a mandate to foster research, entrepreneurship, and human resource development in Cyber-Physical Systems (CPS).

This Corporate Social Responsibility (CSR) Policy outlines the Foundation's commitment to operate as a responsible corporate citizen by integrating social and environmental concerns into its business operations.

- To establish a framework for undertaking CSR activities in alignment with the areas specified in **Schedule VII** of the Companies Act, 2013.
- To leverage the Foundation's expertise in technology and innovation to bring sustainable, grass-root level impact to Indian society.
- To define the modalities for implementation, monitoring, and reporting of CSR projects.

3. Scope and coverage:

This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act 2013 ("Act") and the rules issued thereunder. The Company's CSR activities shall include but are not limited to, any or all of the sectors/activities prescribed by Schedule VII of the Companies Act, 2013, amended from time to time.

Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, if the Company fails to meet the thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to comply with the provisions of this CSR Policy, till it again meets the criteria specified in Section 135(1) of the Act.

4. Definition and interpretation:

- (i) **"Board"** means the Board of Directors of the Company.
- (ii) **"Company"** means IITM Pravartak Technologies Fowhere are we taking this 3 consecutive years from?undation.
- (iii) **"CSR Activities"** means such programs and projects as may be approved by the Board in terms of this CSR Policy.
- (iv) **"CSR Committee"** means a committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.
- (v) **"CSR Rules"** means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- (vi) **"CSR Expenditure"** means the amount to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.
- (vii) **"Director"** means a member of the Board of the Company.
- (viii) **"Implementing Agency"** means an implementing agency as defined under paragraph 6 below.
- (ix) **"Implementation Group"** means the group of members approved by the Board for implementing the CSR Activities supported by the Board and submitting a report of the progress on the CSR Activities to the Board. The Board may also reconstitute this 'Implementation Group' from time to time.
- (x) **"Net Profits"** means the net profit of the Company as per its financial statement prepared by the applicable provisions of the Act, but shall not include (i) any profit arising from any overseas branch or branches of the Company (whether operated as a separate company or otherwise); and (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.
- (xi) **"Society"** means a society registered under the Societies Registration Act, 1860 or any other applicable law in India.
- (xii) **"Trust"** means a public charitable trust registered under the Indian Trusts Act, 1882 or any other applicable law in India.

Any term not defined above shall have the meaning assigned to it under the Act or the CSR Rules.

5. Corporate Social Responsibility (CSR) Committee:

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. However, where the amount to be spent by a company under 135(5) of the Act does not exceed Fifty Lakh rupees, the requirement under section 135(1) for the constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company. As such, until the amount to be spent under section 135(5) of the Act reaches Rupees Fifty Lakhs, the functions of the CSR committee shall be discharged by the Board.

However, with the increasing CSR obligations, the Company vide its Board meeting dated 14th March 2025, has constituted a CSR committee along with an Internal Management Committee with members as below to be operational with effect from 1st April 2025:

CSR Committee:

Sr. No	Name of the Member	Designation
1	Dr. G. Venkatesh	Chairman
2	Shri. Bhaskar Bhat	Member
3	Dr. Kumar Sivarajan	Member

The Board shall empower the CSR committee to finalize, approve and execute various agreements, deeds, writings, confirmations, undertakings or other documents, as may be necessary, with any party, including Implementing Agencies and/or others for the CSR Policy and accept modifications, changes and amendments to any such documents/ agreements as it may deem fit.

The above CSR committee will provide oversight towards spending against the CSR obligations of the Company based on profitability, by ensuring that the Company is within the governance norms with respect to CSR obligations and draw up a plan for its CSR activities and the spending is done according to the CSR Plan.

In addition to the CSR Committee, the Company has also constituted an internal management committee to support the CSR Committee, beside other responsibilities, with the following members:

Internal Management Committee:

Sr. No	Name of the Member	Designation
1	Mr. Veeraraghavan	Chief Operations Officer
2	Mr. Mani Ramamurthy	Financial Controller
3	Mrs. Meenakshi Chidambaram	General Manager-Projects
4	Mr. Raghavendra Prasad	Project Consultant
5	Mrs. V V Ramya	Senior Consultant

The Internal Management Committee has two major tasks of providing support to the CSR committee in formulating a plan for the CSR spending towards Company's obligations and overseeing the execution of such spending as per plans as well oversee the execution of projects against the CSR grants mobilized by the Company and providing requisite utilization certificates to donors, as required.

6. CSR Committee and Internal Management Committee

6.1. Constitution

The Board of Directors have constituted the CSR Committee and the Internal Management Committee with members as aforementioned. Both the committees together will be referred to as 'Committees'.

6.2. Roles and Responsibilities

The Internal Management Committee wherever needed can take approvals from CSR Committee.

The CSR Committee shall be responsible for:

- Formulating and recommending the CSR Policy to the Board for approval.
- Recommending the annual amount of expenditure to be incurred on CSR activities.
- Recommending the CSR plan, projects, and activities to be undertaken by the Foundation.
- Instituting a transparent mechanism for the implementation and monitoring of CSR projects.
- To ensure that the CSR activities are conducted in line with the Board's duly approved CSR policy.
- Recommend the CSR budget to the Board.

- Spend the allocated CSR amount on the CSR activities duly approved by the Board and in accordance with the Act and the Rules thereunder.
- Create a transparent monitoring mechanism for the implementation of CSR initiatives.
- Submit Reports to the Board regarding the CSR activities undertaken by the Company.
- Monitor CSR Policy from time to time and recommend modifications to the board as necessary to make the CSR policy effective and in compliance with the Act and the Rules thereunder.

In case of failure to ensure the minimum CSR Expenditure, i.e. 2% (two per cent) of average Net Profits of the Company made during the three immediately preceding financial years, detailed reasons for the same should be submitted by the CSR Committee to the Board. Further, the Board shall duly include a such explanation in their annual board of directors' report.

No member of the Committees shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

Monitoring the CSR Policy from time to time and reporting to the Board on the progress of implemented projects.

In all the above, the CSR Committee will review, moderate and approve the various recommendations, suggestions of the CSR plans, programs, implementation strategy and action items as duly recommended by the Internal Management Committee.

7. Implementation of the CSR policy:

The Board shall be responsible for implementing the CSR Policy's mandate and ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules and the annual action plan formulated and recommended by the CSR Committee, where applicable.

The CSR Activities may be undertaken by the Company directly with the help of the Internal Management Committee or through any of the following entities as "Implementation Agency" being duly registered with the Central Government and having a unique CSR Registration Number (with effect from 1 April 2021):

- (i) Company established under section 8 of Indian Companies Act 2013, or Trust or Society registered under section 12-A and 80-G of the Income Tax Act 1961, being established by the Company, either singly or along with any other company;

(ii) Company established under section 8 of Indian Companies Act 2013, or Trust, or Society, being established by (Indian) Central Government or (Indian) State Government;

(iii) Company established under section 8 of the Indian Companies Act 2013, or Trust or Society registered under section 12-A and 80-G of the (Indian) Income Tax Act 1961, and has an established track record of at least three years in undertaking similar CSR activities; or

(iv) Any entity established under an act of (Indian) Parliament or a (Indian) State Legislature.

8. CSR Expenditure:

- The Companies Act 2013 prescribes that the companies which meet the criteria specified Under Section 135 shall allocate a certain portion of its annual 'net profits' (calculated as per Sec. 198 of the Act) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

- Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditures, including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors but does not include any expenditure on an item not in conformity with activities stated under Schedule VII of the Act.

- It shall also be ensured that the administrative overheads shall not exceed five per cent of the total CSR expenditure of the Company for the financial year.

- If the Company fails to spend the required amount in a particular financial year, it is the duty of the Implementation Group to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report about that particular Financial Year.

8.1 CSR Obligation

The Foundation shall spend, in every financial year, **at least two percent (2%)** of the average net profits of the Foundation made during the three immediately preceding financial years, in pursuance of its CSR Policy.

8.2 Computation of Net Profit (Section 198)

The Net Profit for the purpose of CSR shall be the **Profit Before Tax (PBT)** as per the audited financial statements of the Company, calculated in accordance with the provisions of **Section 198** of the Companies Act, 2013.

8.3 The calculation shall exclude the following items:

- Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise.
- Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

8.4 Detailed Calculation Formula:

The "Average Net Profit" is calculated as follows:

Average Net Profit = {Net Profit (Year 1)} + Net Profit (Year 2) + Net Profit (Year 3)} / 3

CSR Obligation = Average Net Profit * 2%

8.5 Treatment of Spends:

- **Administrative Overheads:** The Board shall ensure that administrative overheads (expenses for general management and administration of CSR functions) do not exceed **5% of the total CSR expenditure** for the financial year.
- **Surplus arising from CSR:** Any surplus arising out of CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or transferred to the Unspent CSR Account.
- **Excess Spend (Set-off):** If the Company spends an amount in excess of the 2% requirement, such excess amount may be set off against the requirement to spend in the succeeding three financial years, subject to a Board Resolution.
- **Unspent Amount:**
 - **Ongoing Projects:** Any unspent amount shall be transferred to a special "Unspent CSR Account" within 30 days of the end of the FY.
 - **Other than Ongoing Projects:** Any unspent amount shall be transferred to a Fund specified in Schedule VII within 6 months of the end of the FY.

9. CSR Activities:

The Board shall ensure that the CSR Activities that the Company undertakes should be within the scope of the following activities:

- (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 back ward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, the conservation of natural resources and maintaining the quality of soil, air and water, including contribution to the Clean Ganga Fund set up 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 setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Paramilitary Forces (CPMF) veterans, and their dependents, including widows;
- (vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief Fund or 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 social-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) 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
- (x) Contributions to publicly funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under the 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).

(xi) Rural development projects;

(xii) Slum area development

Explanation - For the purpose of this item, the item 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under law for the time being in force;

(xiii) Disaster management including relief, rehabilitation and reconstruction activities; and

(xiv) Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.

10. Implementation Modalities

The Company may undertake its CSR activities through one or more of the following mechanisms:

- **Direct Implementation:** Directly by the Company's own employees or departments including Internal Management Committee
- **Through Implementing Agencies:** Collaborating with registered trusts, registered societies, or Section 8 companies that have a track record of at least three years in undertaking similar programs and are registered with the Central Government (Ministry of Corporate Affairs).
- **Collaboration:** Jointly with other companies, provided the CSR Committees of the respective companies are able to report separately on such projects.

11. Monitoring, Reporting and Public Disclosure

11.1. Monitoring Mechanism

The CSR Committee shall establish a monitoring framework to ensure that funds are utilized efficiently and the projects achieve their intended objectives. This includes:

- Periodic review meetings.
- Site visits or virtual inspections of implementation partners.
- Collection and review of **signed minutes** and other supporting documents.

11.2. Reporting and Disclosure

- The Board's Annual Report shall include the **Annual Report on CSR Activities**, signed by the CEO/Managing Director and the Chairman of the CSR Committee, detailing the projects undertaken and expenditure incurred.
- The CSR Policy and the annual CSR report shall be displayed on the Foundation's official website: .

- The Foundation shall maintain a comprehensive record of documents and data, including: **Committee formation documents, signed minutes of meetings, donor database, CSR proposals, and Board and Committee approval email trails.**

12. Reporting and publication of CSR policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report, and the same shall be displayed on the Company's website if any.

13. Reporting and record keeping:

The Board's report of the Company shall include annual information on CSR containing the particulars and details as may be prescribed from time to time under the Act and the CSR Rules.

The Board will be responsible for ensuring that:

- i. The report of the Board includes the annual report on the Company's CSR Activities and sets out the requisite information in terms of the Act and the Rules.
- ii. The contents of the latest and updated version of the CSR Policy is included in the report of the Board;
- iii. The contents of the CSR Policy, along with the composition of the CSR committee, if any, and projects approved by the Board are also made available on the Company's website (if any).
- iv. In case of failure to ensure the minimum CSR Expenditure, exact reasons are adequately disclosed in the Board Report.

14. Amendment:

The Board of the Company may, subject to compliance with applicable law, at any time, alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

This Policy shall be reviewed by the CSR Committee periodically, or as and when required, based on changes in the statutory requirements, national priorities, or the Foundation's strategic focus, and any subsequent amendments shall be approved by the Board of Directors.