

CORPORATE SOCIAL RESPONSIBILITY POLICY OF M/s GLOBAL TVS BUS BODY BUILDERS LIMITED

I. CONSTITUTION:

- 1.1. The Board of Directors of M/s Global TVS Bus Body Builders Limited at their meeting held on March 19, 2015, established a committee of the Board to be known as the Corporate Social Responsibilities (CSR) Committee (“the CSR Committee”)
- 1.2. The CSR Committee will act in accordance with the terms specified in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014.

II. DEFINITIONS:

- a) **“ Act”** means Companies Act, 2013 including any statutory modification or re- enactment thereof;
- b) **“Board”** means the Board of Directors of the Company.
- c) **“Company”** means M/s Global TVS Bus Body Builders Limited.
- d) **“Corporate Social Responsibility”** or **“CSR”** means and includes but not limited to:
 - Projects or programs relating to activities specified in Schedule VII of the Act; or
 - Projects or programs relating to activities undertaken by the Board in pursuance of recommendations made by the CSR Committee as per CSR policy of the Company subject to the condition that such policy includes the subject covered under Schedule VII of the Act.
- e) **“CSR Committee”** means Corporate Social Responsibility Committee of the Board.
- f) **“CSR Policy”** refers to activities undertaken by the Company as specified in Schedule VII of the Act, including any statutory modification or re- enactment thereof.
- g) **“Members”** shall mean the Directors who are members of the Committee.
- h) **“Secretarial Standards”** shall mean the Secretarial Standards 1 for Board Meetings as prescribed by The Institute of Company Secretaries of India and approved by the Central Government.

III. MEMBERSHIP:

- 3.1. The CSR Committee Members shall be appointed by the Board. The CSR Committee shall be constituted with a minimum of 3 Members out of whom atleast one shall be an Independent Director.
- 3.2. The CSR Committee Chairman shall be appointed by the Board. In the absence of the Chairman, the Members’ present at any meeting of the CSR Committee shall elect one of their Members (who is a nominee of AL) to chair the meeting.

- 3.3. Only Members of the CSR Committee have the right to attend CSR Committee meetings. However, all Directors may be invited to attend all or part of any meeting as and when appropriate. In addition, other individuals such as Company employees or external advisors may be invited to attend all or part of any meeting as and when appropriate.
- 3.4. The requisite quorum shall be any two Members present (either in person or through any audio-visual means as permitted under the Act) at the meeting.
- 3.5. The Company Secretary shall act as the secretary to the CSR Committee.

IV. FREQUENCY OF MEETINGS:

- 4.1. The CSR Committee shall meet **at least once a year** and otherwise as required. Additional meetings may be held to ensure that the CSR Committee takes note of the CSR activities and also ensure that the requirements and compliances are adhered to.

V. NOTICE OF THE MEETING:

- 5.1 Meeting of the CSR Committee shall be called by giving atleast 7 days' notice to every Member by speed post/registered post e-mail or any other electronic means as permitted under the Act and the Secretarial Standards.
- 5.2 Meeting of the CSR Committee shall be called by the Company Secretary at the request of any of its members. In the absence of a Company Secretary, it shall be called by the Chairman or any other Member of the CSR Committee or any person authorised by the CSR Committee.
- 5.3 Meetings may be held with the physical presence of the Members or via audio-visual mode as permitted under the applicable provisions of the Act.
- 5.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member, any other person required to attend along with the supporting papers.
- 5.5 Any Member desirous of participating through audio-visual mode shall communicate the same to the Company Secretary or the Chairman of the CSR Committee atleast 2-5 days before the date of Meeting. The Company while arranging for a videoconferencing Meeting shall comply with the conditions specified in Section 173 of the Act read with relevant Rules made thereunder and applicable provisions of the Secretarial Standards.

- 5.6 Additional meetings may be held at the discretion of the Board or any Member(s) of the CSR Committee and shall be held at such time, date and venue as may be decided by the person calling the Meeting.

VI. ACTIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION:

- 6.1. The CSR Committee shall, excluding the activities undertaken in the normal course of business, undertake any of the following activities as prescribed in Schedule VII of the Act:
- a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
 - b) Promotion of 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 environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, 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;
 - 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 recognized 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.
 - k) Slum area development.

- 6.2. The Company may undertake its CSR activities which are approved by the CSR Committee either directly by itself or through a registered trust or registered society or a company established by the Company or its holding/subsidiary. 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;
- 6.3. The Company may also collaborate with its holding/associate companies for undertaking the said activities.
- 6.4. The Company may build CSR capacities of their own personnel as well as those implementing agencies through Institutions with established track records of atleast three financial years but shall not exceed 5% of total CSR expenditure in one financial year.
- 6.5. **The following activities shall not be considered as CSR activities:**
- a) Activities that benefit only the employees of the Company and their families.
 - b) Contributions of any amount directly or indirectly to any political party under Section 182 of the Act.
 - c) One-off events such as marathons/awards/charitable contribution/advertisement /sponsorships of TV programme etc.
 - d) Expenses incurred by Company for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.)

VII. EXPENDITURE TO BE INCURRED:

- 7.1. The CSR Committee shall ensure that in every financial year, the Company spends atleast 2% of the average net profits of the Company made during the three immediately preceding financial years unless the Company is experiencing an economic slowdown or market depression or any other unforeseen exigencies.
- 7.2. However, if the Company fails to spend such amount (percentage) specified above, the CSR Committee may provide an explanation to the Board specifying the reasons for not being able to spend the said amount. Further the reason shall be cited in the Board's Report of the Company as required under the Act.
- 7.3. "Net profit" means the net profit defined as per Section 135 of the Act, read with the Companies (Corporate Social Responsibility) Rules, 2014.
- 7.4. Expenditure shall include all expenditure including corpus for the projects or programs relating to CSR activities approved by the Board on recommendation of CSR Committee

but does not include any item which is not in line with the activities prescribed under Schedule VII of the Act.

- 7.5. Salaries paid by the Company to regular CSR staff as well as to volunteers of the Company (in proportion to Company's time/hours spent specifically on CSR) can be factored into CSR project cost as part of the CSR expenditure.
- 7.6. Further, the surplus arising out of the CSR policy or program shall not form part of the business profit of the Company.
- 7.7. The Company shall give preference to the local area and the areas where the Company mainly operates to spend the amount earmarked for CSR activities. Further the CSR activities or projects or programs undertaken in India only shall amount to CSR expenditure.

VIII. MONITORING:

- 8.1. The CSR Committee shall constitute transparent monitoring mechanism for implementation of CSR projects, programs or activities undertaken by the Company.
- 8.2. The monitoring mechanism shall be implemented after the review and approval of the Board. Further the Board may monitor the CSR policy from time to time and make necessary changes as it may deem fit and proper.

IX. REPORTING:

The Board's Report shall include an annual report on CSR containing particulars as specified.

X. PUBLICATION OF THE POLICY:

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed in the Company's website for public viewing.

XI. AMENDMENT

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

Date: January 27, 2016