



Corporate Social Responsibility (CSR) Report 2021

Introduction

Organizations across the globe have been implementing Corporate Social Responsibility (CSR) practices for decades. While most companies invest their CSR efforts in education, health and skill development, leveraging a strategic CSR outlook has become increasingly important to achieve a competitive advantage. Companies that are committed to CSR know that it leads to an enhanced reputation. The criticality of CSR practices has concurrently led to the increasing importance of establishing a strong CSR strategy in order to assure an organization's industrial competitiveness. As a one-stop solution provider, TÜV SÜD helps you achieve this, by integrating numerous aspects such as social, ethical, environmental, and consumer concerns into daily business operations, by keeping in mind the company's core strategy.

The Corporate Social Responsibility Policy ("CSR Policy") of TÜV SÜD South Asia Private Limited (TÜV SÜD) sets out the framework guiding TÜV SÜD's CSR Activities. The CSR Policy is consistent with TÜV SÜD's CSR strategy and sets out the rules that need to be adhered to while taking up and implementing CSR activities.

The policy pertains to all the activities undertaken by TÜV SÜD towards fulfilling its CSR objectives undertaken pursuant to section 135 of the Companies Act, 2013 ("Act") and includes the activities as covered under Schedule VII to the Companies ("Corporate Social Responsibility Policy") Rules, 2014 ("Rules"), each as amended from time to time.

Legal framework of CSR in India

Governing law and Provisions of the Companies Act, 2013 & the Rules, regarding CSR

The Company law in India mandates certain category of companies to carry out Corporate Social Responsibility (CSR) activities. Section 135 of the Companies Act, 2013 lists the companies which are mandatorily required to comply with the CSR requirements

Applicability of CSR Provisions: On every Company including its holding or subsidiary having:

- Net worth of Rs. 500 Crore or more, or
- Turnover of Rs. 1000 Crore or more, or
- Net Profit of Rs. 5 Crore or more

during the immediately preceding financial year a foreign company having its branch office or project office in India, which fulfils the criteria specified above. However, if a company ceases to meet the above criteria for 3 consecutive financial years, then it is not required to comply with CSR Provisions till such time it meets the specified criteria.

Every qualifying company requires spending of at least 2% of its average net profit for the immediately preceding 3 financial years on CSR activities.

CSR spending requirement of TÜV SÜD for FY 2021 as per applicable statutory provisions to date

Year	Amount to be spent (IN INR)
2021	50,29,613

1. **Average Net Profit of the Company for last three financial years: Rs. 2,51,480,641/-**
2. **Prescribed CSR Expenditure (2% of the amount as per item 3 above): Rs. 50,29,613/-**
3. **Details of CSR spent during the financial year:**
 - a) Gross amount required to be spent by the Company during year 2021 = Rs. 50,29,613 /-
 - b) Amount Spent during the year = Rs. 44,74,807/-
 - c) Amount spent on ongoing project after the end of financial year 2021 = Rs. 5,54,806/-
 - d) Amount unspent if any: Rs. Nil
 - e) Manner in which the amount spent during the financial year is given in the Annexure below.

About CSR Program

The Company has contributed Rs. 50,29,613 /- during the current year towards the Corporate Social Responsibility (CSR) expenditure on eligible projects as mentioned in the Companies Act, 2013. The Company was required to contribute Rs. 50,29,613 /- as calculated basis 2% of its average net profits of the last three financial years.

Steps taken by TÜV SÜD in compliance with evolving regulations:

1. Composition of the CSR Committee:

Board of Directors in its meeting, constituted the CSR Committee consisting of following Directors of the Company:

- Mr. Niranjana Nadkarni;
- Mr. Atul Bakre; and
- Mr. Collin Fernandes

Various meetings were held in the year 2021 amongst the members to identify the CSR Projects.

2. Formulation of CSR Policy

CSR policy in accordance with provisions laid down in this regard, was formulated in 2017 by the CSR Committee.

3. NGO Identification & proposal process

The shortlisting of NGOs was done on the basis of the following criteria:

- NGO background,
- Area of service/ contribution to society,
- Compulsory IT/CSR/NGO registrations,
- Compatibility of NGO contribution with TÜV SÜD goals/ mission such as sustainability/ renewable energy/ training etc.

CSR managing committee recommended and approved the below two NGOs for CSR spending:

1. Chirag Rural Development Foundation: Providing home lighting solutions for scattered houses, schools that are not connected to the grid with renewable energy
(Website: <https://projectchirag.org/>).

This CSR project is implemented by the Green India Initiative Pvt Ltd. And Coordinated by the Chirag Rural development Foundation on behalf of TÜV SÜD South Asia Pvt Ltd.

After the successful installation and commissioning of solar streetlights in all the villages, the following impact from the project can be seen in the nearest future:

- (a) Ease in walking during evening hours.
- (b) Reduced wild animal and snake attacks.
- (c) Fear free transportation to females during evening & night hours without being accompanied by male members of the family.
- (d) Reduction in stealing incidents.
- (e) Enhanced liveliness to village people by their participation in social and traditional program held at late evening hours.
- (f) Source of quality illumination during power cuts.
- (g) Feeling of security for children playing during evening hours from snake and wild animal attacks.
- (h) Reduction in Carbon footprints.
- (i) Savings on electricity bills of Gram panchayats.
- (j) Sustainable Development goals has been achieved through the project
 - SDG 7 - Affordable & Clean energy
 - SDG 11 – Sustainable cities & communities
 - SDG 13 - Climate action
 - SDG 16 – Peace, justice & Strong Institutions



2. REEDS (Research in Environment, Education & Development Society): Focus on development of sustainable livelihoods for rural and tribal communities through effective management of local natural resources like agriculture, water, forest, and livestock.
(Website: <http://www.reedsbharat.org/>)



This CSR activity primarily focuses on the objective of utilising rainwater harvesting technique through effective management of local resources for cultivation and agricultural purposes. The objective of implementation of this CSR activity is to help the rural and tribal communities for their sustainable livelihood.

4. A responsibility statement of the CSR Committee that the implementation and the monitoring of the CSR policy is in compliance with CSR objective and policy of the Company.

We affirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company. The Company has contributed an amount of Rs. 50,29,613/- towards eligible CSR projects as mentioned in the Companies Act, 2013, in accordance with the instructions of the Company.

Projects Approved & Implemented:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount (in INR) outlay (Budget) project or programs wise	Amount (in INR) spent on the projects or programs sub heads: (1) Direct Expenditure on the projects and programs (2) Overheads:	Cumulative expenditure up to the reporting period – (Amount in INR)	Amount spent Direct or through implementing agency
1	NGO – Chirag Rural Development Foundation.	Village Infrastructure Development Through Solar Street Lights	15 villages of Palghar District	39,20,000		39,20,000	Implementing Agency - Green India Initiative Private Limited (GIPL)
2	REEDS (Research in Environment, Education & Development Society)	Its focus is on development of sustainable livelihoods for rural and tribal communities through effective management of local natural resources like agriculture, water, forest and livestock.	Satpuda range of Akkalkuwa Taluka, Nandurbar.	11,09,613		11,09,613	Direct
	Total			50,29,613		50,29,613	