



CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction

UV Asset Reconstruction Company Limited (UVARCL) is an Asset Reconstruction Company registered with the Reserve Bank of India. UV Asset Reconstruction Company Limited (UVARCL) is presently amongst India's top 10 ARCs in terms of book building with a CAGR of 109% over the last 3 years. UVARCL acquires eligible financial Assets from various banks, financial institutions and specified NBFCs. The company believes in empathetic approach in resolving distress assets by meaningful analysis of the cause of NPA, evaluate possible turnaround options and formulate the best fit strategy under the given circumstances and merits (viability/ feasibility) of each case. The company adopts best practices that foster an environment of honesty, transparency and consistency. The company aims to create win-win situation for all its stakeholders.

2. Objectives

UV Asset Reconstruction Company Limited CSR Policy intends to:

- Strives for economic development and encourage a positive impact through its activities mainly related to hunger, poverty, malnutrition, education, old age homes, orphanages etc.
- Driving measurable change in our society, by inspiring our actions as societal change makers.

3. CSR Activities.

1. The CSR activities shall be undertaken by the Company, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
2. The Board of a Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the Company, either singly or alongwith any other Company / Institution OR through Trusts/ societies with a good track record in undertaking such activities.

Provided that –

- i) if such trust, society or Company is not established by the Company, than such trust shall have an established track record of three years in undertaking similar programs or projects;

- ii.) the Company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
3. Company may also collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programs in accordance with these rules.
 4. (i) Subject to provisions of sub-section (5) of section 135 of the Act, the CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.

ii) The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.
 5. Companies may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least three financial years but such expenditure [including expenditure on administrative overheads,] shall not exceed five percent of total CSR expenditure of the Company in any financial year.
 6. Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

4. Focus Areas and Goals

In accordance with the requirements under the Companies Act, 2013, UV Asset Reconstruction Company Limited CSR activities, amongst others will focus on:

- **Hunger, Poverty, Malnutrition and Health:** UVARCL will work with various non profit organisations that run mid day meal programmes in schools across India, by organising food camps at different places in India.

UVARCL will work with organisations working in medical or health related projects such as providing support in schools/ old age homes, orphanages, J.J. clusters etc. across India, by conducting need based health camps and providing consultation, medicines and medical aid etc. It also aims at organising health check-up camps at different places across India and also providing support for cancer treatment, cataract surgeries, etc.

- **Education:** UVARCL will promote education, including special education and vocational skills and financing needy children especially among children studying in the schools located at slum areas, government schools, schools for differently abled etc. The organisation will also make monetary contributions to academic institutions for establishing endowment funds, furniture, water coolers, fans, books and stationery,

establishing laboratories etc. with the objective of assisting students in their studies making them healthy and providing them better amenities.

UVARCL's focus in regard to education will be on three fronts:

- 1) To train students with under privileged background.
 - 2) Promoting Girl child Education working on parallel lines of the larger objective of "**Beti Bachao Beti Padhao**" Abhiyan.
 - 3) The company wish to carry out various CSR projects, most of which are community improvement and poverty alleviation programs. Through self-help groups, In the field of education, the company wishes to provide scholarships and endowments for numerous institutions, including differently abled children across the country.
 - 4) The company wishes to engage in healthcare projects such as facilitation of child education, immunization and creation of awareness of AIDS etc.
- **Gender Equality and Empowerment of Women:** Promoting Gender Equality in society. UVARCL will work in women empowerment activities, income generation, rural community development, and other social welfare programs. It will also work with various non profit organisations by setting up homes, hostels and day care centres for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
 - **Disaster Response:** UVARCL will work with non profit organisations for timely relief and rehabilitation of humans affected by natural calamities.

5. Composition of CSR Committee

The Board of Directors of UV Asset Reconstruction Company Limited have formed a Corporate Social Responsibility Committee. Corporate Social Responsibility Committee of the Company shall formulate the CSR policy and recommend to the Board about its formulation, implementation and monitoring . As per Section 135 of the Companies Act, 2013, every Company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The following directors are the members of CSR committee:

Mr. P.J. Vincent : Chairman & Non Executive Director

Mr. Shafi Sayeed Parker: Non Executive Director

Mr. Uma Shankar Paliwal: Non Executive Director

Ms. Shilpi Sharma: Whole Time Director.

Quorum of the CSR Committee Meeting shall be one third of the total strength (any fraction contained in that one third shall be rounded off to one) or two members, whichever is higher.

6. Responsibilities of the Committee

- (a) Formulating and recommending to the Board of Directors, 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, 2013;
- (b) Recommending the amount of expenditure to be incurred on each activity/ activities.
- (c) Monitoring the CSR activities of the company from time to time.
- (d) Giving suggestions on improvement and better options

7. Budget

- The Board of UV Asset Reconstruction Company Limited will ensure that minimum of 2% of average net profits of the last three years as calculated according to the Act, rules and provisions is spent annually on CSR initiatives undertaken by UVARCL.
- All expenditure towards the programs to be diligently documented.
- In case atleast 2% of average net profit of the last 3 years is not spent in any financial year, reasons for the same to be specified in CSR& Board Report and the remaining amount shall be added in the expenditure of the subsiding Financial Year.
- Any surplus generated out of the CSR activities not to be added to the normal business profits of UVARCL.

8. Funding, Selection and Monitoring Process

UVARCL will receive requests for funding projects throughout the calendar year. Secreterial Department will evaluate the proposals received under the Company's focus areas and projects will be prioritized by assessing their impacts. Company will then forward its recommendations to the CSR Committee. The CSR Committee will deliberate on the proposals and approve proposals for implementation at its discretion and recommend to the Board of Directors for their approval.

9. Review and Reporting

In terms of Section 135 of the Companies Act, 2013 read with Rule 8 of the CSR Rules, CSR activities and progress shall be reported as part of the Director's Report in the Company's Annual Report and also as per any other statutory and regulatory reporting requirements. The internal reporting of the CSR activities and progress shall be reported from time to time to Board Level CSR Committee and also to the Board of Directors. Above reports shall be in such form and manner as may be convenient and appropriate to suit the purpose of effective communication.

10. Display of CSR activities on its website

The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the Company and disclose contents of such Policy in its report and the same shall be displayed on the Company's website,

11. Amendment to the Policy

The Board of Directors on its own and/ or as per the recommendations of the CSR Committee can amend this policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time.