

HCL IT CITY LUCKNOW PRIVATE LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Objective

The objective of the Corporate Social Responsibility (CSR) policy ("Policy") of HCL IT City Lucknow Private Limited is to lay down guidelines for proper execution of CSR activities of the Company and identify core CSR activities so as to support the sustainable development of the society.

Definitions

- Company means HCL IT City Lucknow Private Limited.
- Act means the Companies Act, 2013, as amended from time to time.
- CSR Rules means Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time to time.
- Board means Board of Directors of the Company.
- 'Corporate Social Responsibility(CSR) means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules subject to exclusions mentioned in the Rules.
- CSR Committee means the Corporate Social Responsibility Committee constituted by the Board of Directors pursuant to Section 135 of the Companies Act, 2013.
- Net Profit means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely: -
 - 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 Companies Act 2013.
- "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- Administrative overheads mean the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- Ongoing Project means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board of Directors based on reasonable justification.

2. CSR Activities, Projects and Programmes:

- (A) The CSR activities, projects and programmes that will be undertaken by the Company shall be those as may be approved by the committee that will be constituted / reconstituted by the Board of Directors of the Company in this regard (CSR Committee). The CSR Committee will approve as such activities, projects and programs as are covered under the following areas or subjects set out in Schedule VII of the Companies Act, 2013:
- (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 backward groups.
 - (iv) Ensuring environmental 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].
 - (v) 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 art and handicrafts;
 - (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
 - (ix) (a) 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
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under 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).
 - (x) Rural development projects.
 - (xi) Slum area development.

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

- (xii) Disaster management, including relief, rehabilitation and reconstruction activities.
- (xiii) While approving the CSR activities, the Committee shall give preference to the local area where the Company operates, for spending the amounts earmarked for CSR activities.

3. Exclusions

1. Activities carried out under the normal course of the business.

Provide that Companies which are engaged in the R&D works of new vaccine, drug and medical devices in their normal course of business may undertake R&D activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

- a. Such R&D work shall be carried out in collaboration with any institute or organization mentioned in item (ix) of Schedule VII.
 - b. Details of such activity shall be mentioned in the Annual report on CSR included Board Report.
2. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 3. Political Contribution under section 182 of the Income Tax Act.
 4. Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019
 5. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 6. Activities carried out for fulfilment of any other statutory obligations under any law in force in India, shall not be counted as CSR expenses under the Policy.
 7. One-off events such as marathons/ awards/ charitable contributions/ advertisements/ sponsorships of TV programmes etc., shall not be considered as part of CSR expenditures under the Policy.

4. Modalities for execution:

The approved CSR activities, projects and programmes shall be carried out in any of the following ways as the CSR Committee, in its absolute discretion may decide. The CSR Committee may decide to use any one or all or a combination of any of the following ways to undertake the said CSR activities, projects and programmes:

- a) By the Company directly; and/or
- b) Through Shiv Nadar Foundation, SSN Trust, Registered Public Charitable Trusts/Entities within the Group; and/or
- c) Through any other registered trust / any registered society registered under Section 12 A and 80G of the Income Tax Act, 1961 / any other company that is qualified to undertake CSR activities in terms of the provisions of the Companies Act, 2013.
- d) Through any entity established under an Act of Parliament or State Legislature.

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Every entity who intends to undertake any CSR activity, shall register itself with Central Government by filing the form CSR 1 electronically with the Registrar and obtain a unique CSR registration number from the Ministry of Corporate Affairs.

CSR programmes may be implemented with the active participation of the concerned local stakeholders. These interventions may also be synergized with the initiatives undertaken by the State Government, District Administration as well as Departments.

In the event the CSR activities are undertaken by the entities listed in (b) and/or (c) above, the Committee shall specify the activities, projects or programs that are to be undertaken, the modalities for utilization of funds on such projects and programs and the monitoring and reporting mechanisms to be followed in that regard.

The Company may also collaborate with other companies to undertake CSR Projects or Programs, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programs.

5. Implementation and Monitoring

- a) The implementation schedule for each approved activity, project or programme shall also be approved by the CSR Committee, and all such activities, projects and programmes will accordingly be monitored by the CSR Committee.
- b) The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.
- c) The CSR Committee will monitor and review on a regular basis or as and when required, the progress of CSR initiatives undertaken.
- d) The fund utilization made in projects as approved by the Board, will be certified by the Chief Financial Officer of the Company.
- e) Applicable projects, as required by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall be subjected to an in depth impact study to assess the impact created through the project.
- f) In case of deviation in implementation as defined in the annual action plan, such changes will be approved by the CSR Committee and the Board of Directors of the Company.
- g) A report on a periodic basis, as may be desired by the Board, shall be provided to the Board by the CSR Committee.
- h) In order to ensure transparency and communication with all stakeholders, the CSR Policy and the list of approved projects will be uploaded on the Company's website and made available in the public domain.

6. Treatment of Surplus:

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

7. CSR Expenditures:

For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The Company may undertake impact assessment of its CSR projects, wherever applicable, and the expenditure incurred towards such impact assessment may be accounted for as CSR expenditure for the relevant financial year, subject to the limits and conditions prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. Further, the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent, then such an unspent amount will be allocated towards such ongoing project for spending in any of the three succeeding financial years and will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year. For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year. Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years, subject to approval of the Board by way of a resolution. Provided that the excess amount available for set-off shall not include any surplus arising out of CSR activities.

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