

HLSA CSR Policy

To be Revised on: 20th June 2025

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1. Title and Applicability

HLS Asia limited has prepared the CSR Policy (“Policy”) in alignment with its objective, principles and values, delineating its responsibility as a socially and environmentally responsible corporate citizen. This Policy lays down the principles and mechanisms for undertaking various programs in accordance with the requirements provided under Section 135 of The Companies Act 2013, read with Schedule VII to the Companies Act 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 along with subsequent amendments and Gazette notifications (together referred as ‘Legal Provisions’). The Policy shall apply to all the CSR projects, programs and activities undertaken by the Company at various locations in India for the benefit of diverse sections of the society.

2. Approval of CSR Policy

The Board of the Directors of the Company (‘Board’) has approved this Policy, formulated by the CSR Committee, after taking into account the recommendations by the CSR Committee. The Board may amend the Policy as may be required from time to time, basis the recommendations of the CSR Committee. Any or all provisions of this Policy are subject to the applicable provisions of the Companies Act, 2013, and any subsequent amendments thereof made from time to time.

3. CSR Committee Composition and Meetings:

The Committee is consisting of three members of the Board and is headed by non-executive director. The Committee shall hold meeting once in a year or as and when required, to discuss various matters related to CSR activities of the Company.

The Board of Directors constituted a Corporate Social Responsibilities (CSR) Committee comprising following members-

Sl. No	Name of the Directors	Nature of Directorship	Category
1.	Mr. Savmit Grover	Non-Executive Director	Chairman
2.	Ms. Anjali Grover	Non-Executive Director	Member
3.	Mr. Bharathwaj Kannan Srinivas	Non-Executive Director	Member

The Company Secretary of the Company will also act as Secretary to this Committee and present the CSR report to the Committee and Board.

4. CSR Focus Area

Company may undertake any one or all of the following CSR Projects or programs falling under the purview of schedule VII of the Companies Act, 2013.

(I) Contribution / Donation for Educational Assistance to under-privileged children

Company may contribute / donate such amount as decided by Company's Management Team from time to time, within the budget approved by CSR Committee, to **HLSA Children Education Society (HLS-CES), New Delhi**. This Society is registered with Registrar of Societies, South District, Government of NCT of Delhi under Registration no. S/318/Distt. South/2011 and has been allowed Income tax exemption vide Ref. no. DEL-HR21545 20092011-729 and its PAN No. is AAAAH5787L. The objective of the Society includes providing educational assistance to the poor children by mode of school fee, school uniform, books, food, clothes etc. and to do such other things/acts/activities which are necessary and which may be incidental or conducive to the attainment of the objective of the society.

If required, Company may, within the budget approved by CSR Committee, contribute / donate for similar purpose to any other eligible societies/ Trust/ Section 8 Company / School / Project, as approved by Company's Management from time to time.

(II) Donation to eligible societies/ Trust/ Section 8 Company / projects related to Health Care including preventive health care/Environmental sustainability/ ecological balance/ protection of flora and fauna, Conservation of natural resources and maintaining quality of soil, air and water/Tree Plantation and other projects specified in Schedule VII of the Companies Act, 2013:-

Company may donate such amount as decided by Company's Management Team from time to time,, within budget approved by CSR Committee, to any other Society/ Trust/ Section 8 Company / Project related to Health-care, including preventive health care/environmental sustainability/ ecological balance/ protection of flora and fauna, Conservation of natural resources and maintaining quality of soil, air and water/Tree Plantation and other projects specified in Schedule VII of the Companies Act, 2013. as approved by & CSR Committee, from time to time.

(III) Additional Projects / activities :- Company may consider spending / contributing amounts in any of the following additional CSR Projects / activities, within budget approved by CSR Committee :-

- a) Contributing for disaster relief.
- b) Contributing to Prime Minister's National Relief Fund/Swach Bharat Kosh/ Clean Ganga Fund/ 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.
- c) Join hands with clients (e.g. Cairn / ONGC/OIL India) in their CSR projects.
- d) Any other project /social service / donation permissible as per Act/Rules in consultation with Management Team & CSR Committee.

(IV) General rules applicable to all of the above-

The CSR projects / programs / initiatives, to be undertaken must fall within the purview of the Schedule – VII of the Companies Act, 2013 (as modified from time to time).

- a) Company may recruit a suitable full time / part time employee/retainer to do administrative / co-ordination / Reporting etc. work & oversee the timely & smooth implementation of CSR Projects / Activities. Provided the expenditure including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the company in a financial year.
- b) Section 8 company or trust or society identified to whom the contribution need to be made shall have an established track record duly audited of three years in undertaking similar programs or projects in projects or programs specified by Company to be undertaken.
- c) Management team shall ensure that Company incurs CSR expenditure judiciously and for genuine requirements etc. and not to merely meet the target.

5. CSR Expenditure

- The CSR Committee shall recommend the amount of CSR Expenditure to be incurred in a year, in accordance with the Act and the Rules.
- CSR Expenditure in a financial year is at least at two per cent of the average Net Profits of the Company made during the three immediately preceding financial years.
- Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy.
- If the Company spends an amount in excess of the requirements provided under the Act, then the Company may set off such excess amount against the requirement to

spend under sub-section 5 of Section 135 for such number of succeeding financial years and in such manner, as may be prescribed under the Act and rules made thereunder.

6. Treatment of Unspent Amount

Any unspent CSR funds remaining at the end of a financial year shall be transferred in any of the following ways:

(I) Transfer to an Unspent CSR Account:

If the unspent amount relates to an ongoing activity, (which is mentioned in the schedule vii) it should be transferred to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, within 30 days of the close of the financial year. and such amount shall be spent by the company within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

(II) Transfer to a Schedule VII fund:

If the unspent amount is not relates to an ongoing activity, it should be transferred by the company to the fund specified in schedule vii, within a 6 months of the expiry of the financial year.

7. Policy Implementation and Review

This CSR Policy is subject to such changes and amendments as may be notified by the Ministry of Corporate Affairs under Section 135 of the Companies Act, 2013 and rules made thereunder and the same shall be read in line with the provisions of the Act applicable to the Company from time to time.