



CORPORATE SOCIAL RESPONSIBILITY POLICY OF HINDUJA GLOBAL SOLUTIONS LIMITED

1. Background

Hinduja Global Solutions Limited (“HGS”) is inspired and guided by the pioneering thoughts “My dharma (duty) is to work so that I can give” of late Shri Parmanand Deepchand Hinduja- Founder of the Hinduja Group. HGS is a socially responsible corporate and has undertaken and implemented Corporate Social Responsibility (CSR) activities for the upliftment of the economically and socially disadvantaged communities and shall continue to do in future.

The prioritized areas for CSR activities of HGS include Education, Sustainable Development, Health Care and other philanthropic and humanitarian activities.

2. Objective of the Policy

The objective of the CSR Policy is:

- Identification of constituencies of economically and socially disadvantaged sections of the community and causes to work with, for undertaking CSR activities in order to attain sustainable development and all round social improvement.
- Encouraging employees to participate in the Company’s CSR initiatives and to promote a unified and strategic approach towards CSR activities in an organized manner.
- Funding or carrying out charitable and socially responsible activity.

3. Implementation of CSR Activities

3.1 CSR Activities:

The Committee shall undertake any of the following activities in areas or subject as may be specified in Schedule VII of the Companies Act, 2013 (‘the Act’) from time to time:

- 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) Promoting 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
- l) Disaster management, including relief, rehabilitation and reconstruction activities.
- m) Such other activities as may be prescribed in Schedule VII of the Act from time to time.

HGS may build CSR capacities of its own personnel as well as those implementing agencies through Institutions with established track records of at least 3 financial years but such expenditure (including expenditure on administrative overheads) shall not exceed 5% of total CSR expenditure of the Company in one financial year.

The following activities shall not be considered as CSR activities:

- a) CSR 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 companies for the fulfilment of any Act/ Statute or regulations (such as Labour Laws, Land Acquisition Act, etc.)

3.2 Expenditure on CSR Activities:

- As required by the Act, the Committee shall ensure that commencing from financial year April 01, 2014 to March 31, 2015, and thereafter in every financial year, the Company spends at least 2% of the average net profits of the Company made during the three immediately preceding financial years. The amount to be spent on CSR activities shall be approved by the Board.
- In the event the Company fails to spend such amount (percentage) specified above for any reason, an explanation specifying the reasons for not spending the said amount shall be given in the Board's Report as required under the Act.
- "Net profit" means the net profit defined under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

- Expenditure shall include all expenditure including contribution to corpus for the projects or programs relating to CSR activities approved by the Board on recommendation of CSR Committee but does not include expenditure on any activity, which is not in line with the activities prescribed under Schedule VII of the Act.
- As far as possible and practicable, HGS shall give preference to the local area and the areas where HGS mainly operates to spend the amount earmarked for CSR activities. Further, the CSR activities, projects, or programs undertaken in India only shall be treated as CSR expenditure.
- Surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the HGS.

3.3 Monitoring Process of CSR activities:

The Board/Committee shall set up a CSR Forum consisting of Senior Management Personnel/ Senior Executives from HR, Finance and Corporate Communications Department of the Company who shall be responsible for the implementation of the CSR activities, which have been approved by the CSR Committee. Any changes in the members of the CSR Forum shall be duly informed to the CSR Committee from time to time. The CSR Forum shall put in place a formal process for evaluating and approving CSR projects before being recommended to the Committee.

The recommendations / annual action plan thus made by the CSR Forum to the CSR Committee, for further consideration from the Board, shall include:

- a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect

4. Partnerships/ Implementation Agencies for carrying out CSR Activities

CSR activities may be implemented by HGS either through a Registered Trust or a Registered Society or a Company established by HGS or its holding/subsidiary or associate company under Section 8 of the Act. In the event if such Trust, Society or Company is not established by HGS or its holding or subsidiary or associate company, such Trust, Society or Company shall have an established track record of three years in undertaking similar programs or projects.



HGS may also collaborate with its Group/Associate Subsidiary Companies for undertaking the CSR activities.

CSR initiatives may be implemented directly by HGS on its own through the dedicated team of employees. In the event such initiatives are to be implemented through NGOs, the CSR Forum will approve the project proposal and budget before recommending the same to the Committee.

HGS may also collaborate with other companies to undertake CSR projects or programs or CSR activities provided the CSR Committee of the respective companies are in a position to report separately on such projects. In the event if CSR activities are undertaken through other executing agencies, HGS shall specify the projects to be undertaken, modalities of utilization of funds and the monitoring and reporting mechanism.

5. Disclosure

The Board's Report will include an Annual Report on CSR containing particulars as specified in the Annexure to the Rules. Further, the Company shall disclose the constitution of the CSR Committee and the contents of the CSR Policy in its Annual Report and also place the Policy on the website of HGS: www.teamhgs.com under the 'Investors' tab.

6. Amendment

The Board of HGS reserves the 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.
