



**HYVE SOLUTIONS INDIA PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY  
POLICY**

**(CSR POLICY)**

**For Financial Year 2024-25**



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## 1. SHORT TITLE

- 1.1 This policy is in relation to the Corporate Social Responsibility (hereinafter referred to as "the CSR") of Hyve Solutions India Private Limited ("the Company"), titled as the Corporate Social Responsibility Policy (hereinafter referred to as "the CSR Policy") and shall include any alterations, amendments or modifications hereto from time to time.
- 1.2 This CSR Policy has been framed in accordance with the provisions of section 135 of the Companies Act, 2013 ("the Act") along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the CSR Rules"), Schedule VII containing the eligible Activities which may be included by the Company in their CSR Policies/Activities, and the clarifications as issued by the Ministry of Corporate Affairs ("the MCA") from time to time, (collectively to be referred as "the applicable laws").
- 1.3 Any subsequent amendment/ modification in the Act, the CSR Rules made thereunder, or any other applicable laws in this regard, and such other clarifications and FAQs as may be issued by the MCA, shall automatically apply to this Policy.

## 2. ABOUT THE COMPANY AND ITS PHILOSOPHY

2.1 Hyve Solutions India Private Limited is a Subsidiary of a Foreign Company i.e. "Hyve Solutions Europe Limited, U.K". The Company is established with the objective to import and distribute custom-built network rack servers in India and locally certified computer rack servers in India, helping to maximize the value of technology investments and unlock growth opportunities. The Company is committed to serving and having a positive impact on customers and communities, through aligning business value and digital transformation.

The Company works through time zone constraints, currency conversions, and regional requirements to assure we deliver our customers' requirements and keep our schedules on track. Along the way, the Company prioritizes security and consistently monitors all aspects of delivery and deployment. Hyve has established strong and resilient supply chain management capabilities that can be deployed to our global customers and markets.

2.2 Furthermore, the Company, strives to grow the business while reducing the environmental impact of its operations and increasing our positive social impact. The Company is committed to improving the quality of lives of people in the communities in which it operates. The Company believes that contributing to society through CSR activities is a basic corporate responsibility and the right thing to do. Thereby, the Company aims to fulfill the requirements laid down under the Companies Act, 2013,



and to act diligently to comply with all applicable CSR Rules and Regulations.

### **3. APPLICABILITY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) RULES**

The CSR rules are applicable to Indian Companies or subsidiaries of Indian Companies and Foreign Companies operating in India and having a net worth of Rs. 500 Cr or more, turnover of Rs. 1000 Cr or more, and net profit of Rs. 5 Cr or more during the financial year.

### **4. VISION AND FOCUS AREA**

4.1 The Company's aim is to deliver superior and sustainable value to all its customers, business partners, shareholders, employees, communities, and the society at large. This includes helping create India's Digital Infrastructure by delivering customer satisfaction through technology leadership, operational excellence, and deep customer and vendor relationships.

4.2 To this end, the Company seeks to undertake Corporate Social Responsibility activities, which focuses on human, environmental, and social assets, with a special focus on ensuring environmental sustainability including contribution to the Clean Ganga Fund set up by the Central Government and through an implementing agency, defined under Rule 4 of Companies (Corporate Social responsibility policy) Rules, 2014).

4.3

4.3.1 The Clean Ganga Fund support to the following activities:

4.3.1.1 Activities outlined under the 'Namami Gange' programme for cleaning of river Ganga.

4.3.1.2 Control of non-point pollution from agricultural runoff, human defecation, cattle wallowing, etc.

4.3.1.3 Setting up of waste treatment and disposal plants along the river around the cities.

4.3.1.4 Conservation of the biotic diversity of the river.

4.3.1.5 Community based activities to reduce polluting human interface with the river.

4.3.1.6 Development of public amenities including activities such as Ghat redevelopment.

4.3.1.7 Research and Development and innovative projects.

4.3.1.8 Research and Development projects and innovative projects for new technology and processes for cleaning the river.

4.3.1.9 Independent oversight through intensive monitoring and real time reporting.

4.3.2 Besides supporting environmental sustainability, the implementing agency, Pledge a Smile Foundation support efforts to eradicate hunger, poverty, education and malnutrition, promote



health care, and the sustainable development of marginalized people, and encourage underprivileged children to remain enrolled in and complete their secondary education, and support the holistic development of poorer communities, focusing on care for elderly people, destitute women, and underprivileged children.

4.4 The Company may further continue to contribute towards the CSR activities enlisted in Schedule VII of the Act read with the CSR Rules, which shall be in line with this CSR policy.

## **5. SCOPE AND OBJECTIVE OF THE CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

5.1 This CSR Policy sets out the Company's commitment, ensuring that their activities extend beyond business and include initiatives, and endeavors for the benefit and development of the community and society. Further, lays down the guidelines for undertaking programs geared towards social welfare activities/initiatives to be taken by the Company.

5.2 Notwithstanding anything to the contrary contained in this CSR Policy but subject to the applicable law, in the event where the Company does not meet or fall under the prescribed thresholds set out under section 135(1) of the Act along with the CSR Rules, for three (3) consecutive Financial Years, the Company shall not be mandatorily required to do the following, and till such time as it again meets the criteria specified in section 135(1) of the Act:

- i) Constitute/maintain the CSR Committee; or/and
- ii) Comply with the provisions of this CSR Policy.

5.3 However, if the Company wishes to voluntarily continue and comply with the provisions of the Act, it may do so and contribute towards the CSR as per the policy framed hereunder.

5.4 The main objective of this CSR policy:

5.4.1 To ensure that the Company is committed to operate its business in an economically, socially, and environmentally sustainable manner, while recognizing the interests of all its stakeholders. The CSR policy establishes guidelines to make CSR a key business process for the sustainable development of society; to embrace responsibility for the Company's actions; to encourage a positive impact through its activities on education, hunger, poverty, malnutrition, environment, communities, stakeholders, and society; and further to achieve, consolidate and strengthen good Corporate Governance. Good Corporate Governance includes adopting socially and



environmentally responsible business practices that balance financial profit with social well-being, that generate community goodwill for the Company, and that help reinforce a positive and socially responsible image of the Company as a good corporate citizen of the Country.

- 5.4.2 To promote socio-economic development in rural areas, improve education, eradicate extreme hunger and poverty; promote gender equality and empower women; reduce child mortality and improve maternal health, health care, and sanitization; ensure environmental sustainability and employment enhancing vocational skills and social business projects; and promoting and protecting natural heritage and culture and such other matters of the common good.
- 5.4.3 To promote eligible Trusts and Societies and/or encourage eligible trusts and societies or other implementing agencies, registered under section 8 of the Companies Act, who are engaged in promoting the above objectives solely with our company or jointly with any other companies.

## 6. DEFINITIONS

6.1 In this CSR Policy, unless the subject or context otherwise requires, the following words and expressions shall have the following meanings respectively ascribed to them. Further, any meaning/definition of the words/ abbreviations used hereunder shall be interpreted within the purview thereof, as defined under the Act and/or the CSR Rules.

**“Act”** means the Companies Act, 2013 and the Rules made thereunder, including any modifications, amendments, or re-enactment thereof for the time being in force.

**“Rules”** means Companies (Corporate Social Responsibility Policy) Rules, 2014, including any re-enactment, modifications, or amendments thereof.

**“Company”** shall mean Hyve Solutions India Private Limited and wherever the context requires, shall signify the Company acting through its Board.

**“Board”** means the Board of Directors of Hyve Solutions India Private Limited.

**“CSR Committee”** shall mean the Corporate Social Responsibility Committee as may be formed/constituted by the Board of the Company in accordance with the Act.

**“CSR Activities”** shall mean the projects and/or programs/ initiatives, instituted in India, either new



or ongoing, to be undertaken by the Company, either directly or indirectly, pursuant to the applicable laws in accordance with this CSR Policy.

**“Administrative Overheads”** means the expenses incurred by the Company for ‘general management and administration’ of the CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or program.

**“Approved Budget”** shall mean the total budget as approved by the Board of the Company, on the recommendation of the CSR Committee, if any, which is to be utilized for the CSR Projects.

**“CSR Annual Action Plan”** shall mean the annual plan detailing the CSR expenditure including modalities of the utilization of funds in every project for a year.

**“CSR Expenditure”** shall mean all CSR expenditures of the Company as approved by the Board, on the recommendation of the CSR committee, if any, including the following:

- i) Contribution to CSR Projects which shall be implemented, and executed by the Company itself;
- ii) Contribution to CSR Project which shall be implemented and/or executed by the implementing agency, if any;
- iii) Contributions shall be covered under Schedule VII of the Act;
- iv) The expenses relating to the transfer of capital assets, such as stamp duty and registration fees, in the year of such transfer.

**“CSR Policy”** shall mean the policy of the Company which relates to the activities to be undertaken by the Company in pursuance to the activities prescribed under Schedule VII of the Act and the expenditure thereon.

**“Financial Year”** shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.

**“Net Profit”** shall mean the profit calculated before tax in accordance with the provisions of section 198, and shall not include such sums as may be prescribed in the Act.

**“Ongoing Project”** means a multi-year project that a Company undertakes to fulfill its CSR obligation within three years, excluding the financial year in which it was commenced, and shall include projects that were initially not approved as multi-year projects but whose duration is extended beyond one



year by the Board based on reasonable justifications.

**“Implementing Agency”** shall mean the agency appointed by the Company and such agency shall be eligible as per Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) to undertake CSR activities and includes:

- a) a Company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- b) a Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a Company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

## 7. GUIDING PRINCIPLES

7.1 The Company shall follow the following guiding principles for the selection, implementation, and monitoring of CSR activities as well as for the formulation of the Annual Action Plan:

7.1.1 In undertaking the CSR activities, the Company shall give preference to the local areas wherein the Company operates or other areas where there exists a need for CSR projects or projects of National importance, as the spirit of the Act and this policy shall be maintained and ensure that CSR initiatives shall align with the National priorities and enhance engagement of the corporate sector towards achieving Sustainable Development Goals (SDGs).

7.1.2 The Company shall undertake only such CSR Activities:

- i) as are identified in [clause 4.2](#) under the head Focus Areas of this Policy and;
- ii) as are permitted under the applicable laws.





- 7.1.3 The Company shall not discriminate against the beneficiaries of the CSR activities, on any grounds whatsoever, including race, color, gender, age, ethnicity, caste, religion, domicile, or any other basis protected by law.
- 7.1.4 The Company shall endeavor utmost transparency in the selection, implementation, monitoring, and reporting of the CSR activities.
- 7.1.5 The Company shall ensure that all the CSR activities undertaken, either directly or indirectly, shall meet applicable standards of quality followed by the Company and/or are the market standard for such activities.
- 7.1.6 The Company shall either undertake the projects directly or through an eligible Implementation Agency, registered with the Ministry of Corporate Affairs ("MCA") and shall to the best of its ability ensure that the partners or vendors selected by the Company or the Implementation Agency, satisfy the criteria specified by the Rules and have relevant experience, good credentials, no criminal track record, and follow the ethical standards which are at par with the Company's Code of Conduct.
- 7.1.7 The Company shall ensure that all the CSR activities are implemented as per the Annual Action Plan as approved by the Board.

## **8. IMPLEMENTATION OF THE CSR POLICY**

8.1 The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with this CSR Policy read with the Act and CSR Rules and the annual action plan formulated and recommended by the CSR Committee, if any, duly approved by the Board.

### **8.2 Mode of Implementation:**

8.2.1 All the CSR activities of the Company shall be undertaken by the Company, either directly with the prior approval of the Board or through another eligible Implementation Agency, as specified in [clause 7.1.6](#) under the head guiding principles, whose appointment shall be approved by the Board, if required.

8.2.2 Fund disbursement to implementing organizations, if any, shall be released after the requisite



documentation between the Company and the organization with the approval of the Board.

- 8.2.3 The Company may approach, for the implementation of the project, to work through partnering with Non-profit or Non-Government organizations established with track records in the respective domains.
- 8.2.4 The Company shall conduct/engage in conducting the due diligence, need based assessment prior to the selection of an entity as implementation agency, to inter alia verify and ensure that the proposed agency is eligible to be appointed as such, as and when required.
- 8.2.5 The Company may engage international organizations for designing, monitoring, and evaluation of the CSR projects or programs as per its CSR policy as well as for the capacity building of their own personnel for CSR.
- 8.2.6 The 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.
- 8.2.7 The Company may collaborate with the group Companies /affiliates in consultation with the CSR committee, if any, to identify, conduct due diligence, and contribute to the CSR projects. As part of such collaboration, any one of the Hyve Solutions collaborating group Companies /affiliates may engage with Implementation Agencies (including the execution of the appropriate memorandum of understanding or any other documents as approved by the CSR Committee) on behalf of the Company.
- 8.2.8 In case of failure to ensure the minimum CSR Expenditure i.e. 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years, detailed reasons for the same should be submitted by the Implementation Group/ Agency, if any, to the CSR Committee, if any, and to the Board. Further, the Board shall duly include such explanations in their annual Directors' Report.
- 8.2.9 For the achievement of CSR targets, the Board may delegate the authority and responsibility to the suitable executive(s) for identifying CSR activities, and to facilitate the selection of appropriate agencies for implementation, supervising and monitoring the quality of work, and reporting to the Board about the progress.

## 9 CSR COMMITTEE

9.1 The Company may constitute a CSR Committee of the Board in compliance with the statutory requirement of the Act and the CSR Rules made thereunder. However, where the CSR amount/expenditure to be spent is up to Fifty Lakh Rupees (INR 50,00,000/- only), the requirement for the constitution of the CSR Committee is not mandatory and the functions of the CSR Committee shall be discharged by the Board of Directors of the Company.

9.2 Without prejudice to the generality of the foregoing, the CSR Committee shall formulate and recommend to the Board or the Board shall formulate, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- i) to formulate and recommend the CSR Policy, activities, strategy, and goals to the board of the Company;
- ii) to monitor and report mechanisms for the CSR Policy, performance, projects, or programs;
- iii) to review the CSR projects/initiatives including the amount of expenditure from time to time;
- iv) to ensure legal and regulatory compliances from a CSR viewpoint;
- v) the manner of execution of such projects or programs;
- vi) the modalities of utilization of funds and implementation schedules for the projects or programs;
- vii) details of need and impact assessment, if any, for the projects undertaken by the Company;
- viii) specify the quorum for the CSR committee at the time of its constitution, wherever required;
- ix) to ensure reporting and communication to Board or stakeholders on CSR projects/initiatives, and/or any other functions as may be assigned/required from time to time.

9.3 The CSR Committee, if any shall consist of at least two/ three, as the case may be, Directors of the Company. The number of members of the CSR Committee and their powers and functions can be specified, varied, altered, or modified from time to time by the Board, subject to the provisions of the applicable law. In case of the absence of the CSR committee, the Board shall perform all the functions and activities.

9.4 The Committee or Board may have the authority to retain external advisors, experts, or consultants, in order to properly discharge its duties and responsibilities.

9.5 All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee or the Board for



their inputs and the final decision/ determination/ interpretation shall rest with the Board.

9.6 No member of the CSR Committee or the Board shall be personally liable for any decision or action was taken in good faith with respect to the CSR Policy.

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

9.8 Meetings of the Committee/ Board:

9.8.1 For smooth functioning the members of the Committee or Board, shall meet frequently to discuss such matters and to take such other decisions, as may be necessary in relation to this policy, as follows:

- i) The CSR Committee or the Board shall hold meetings which shall be attended by a minimum of two members, and the meetings shall be held at the registered office or at any other place, as may be agreed by the members of the Committee or the Board;
- ii) Reasonable notice, preferably (7) days before the meeting, shall be given in writing, by e-mail, by facsimile communication, or by hand delivery to each member however, if all the members permit, the meeting shall be called on shorter notice;
- iii) The Agenda and associated material shall be sent to each member prior, preferably seven (7) days, to the time for such meeting.
- iv) If CSR activities are outsourced to any external organization, a representative from such organization may be invited to attend a meeting of the CSR Committee or Board;
- v) The proceedings of the Meetings must be minuted and signed by the Chairperson at the subsequent Meeting;
- vi) The committee or the Board may with a simple majority, initiate or make such other decisions along with the manner of performing or implementing the same as they may think fit and deem necessary for the conduct of the meeting.

9.8.2 Where there is no CSR Committee, the Board shall be responsible to perform the functions and responsibilities of the CSR Committee as outlined under the Act, the CSR Rules, and in accordance with this Policy.



## 10 RIGHTS AND RESPONSIBILITIES OF THE BOARD

10.1 Following rights and responsibilities shall vest with the Board of the Company in connection with this CSR Policy and framework:

- i) To approve the CSR Policy and projects to be undertaken either on its own or after taking into account the recommendations made by the CSR Committee, if any.
- ii) To ensure, the Company shall make mandatory disclosures in the Company's Annual Report and website, if any, relating to this Policy and the activities undertaken including CSR Committee members, if any.
- iii) To ensure annual reporting of the CSR Policy, projects, and activities to the appropriate government authority as mandated by the applicable law.
- iv) The Board shall oversee that the identified work is duly undertaken and in each financial year at least 2% (two percent) of the average net profit of the preceding three financial years is spent effectively.
- v) To ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by the Board or the CSR Committee, if any, and the Authorized Person shall certify to that effect, as detailed in [clause 16](#) of this policy.
- vi) To approve for transfer of unspent CSR Amount, if any, in accordance with the law.
- vii) In case of an ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation for the smooth implementation of the project within the overall permissible time period and shall be competent to make modifications, if any required.
- viii) To consider, and assess Impact Assessment Report, if applicable, annexed to the annual report on CSR.
- ix) If the Company fails to spend such an amount, the Board shall, in its report specify the reasons for not spending the amount and transfer the unspent CSR amount to a separate Bank account opened for this purpose, if applicable, as specified in [clause 12](#) of this policy.
- x) In case the Company is not required to constitute the CSR Committee, the provisions specified in [clause 9.8.2](#) shall be referred.



## 11 CSR EXPENDITURE/ OBLIGATION/ QUANTUM

- 11.1 The Company has no maximum ceiling for CSR expenditure. However, as per clause 135 of the Companies Act, 2013, the Company shall spend at least 2% (two percent) of its average Net Profit (hereinafter referred to as "the CSR Expenditure/obligation"), as defined under the Act and Rules made thereunder, during the three (3) immediately preceding financial years, however, where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, on the CSR activities as per approved under Annual Action Plan.
- 11.2 The average net profit for the purpose of determining the spending on CSR activities shall be computed in accordance with the provisions of section 198 of the Act and shall be exclusive of the items given under Rule 2(1)(h) of the Companies (CSR Policy) Rules, 2014. The net profit means, the profit of the Company as per financial statements prepared in accordance with the applicable provision Act but shall not include any profit arising from any overseas branch or branches, or dividends received from any other Companies in India. The surplus, if any, arising out of CSR projects or programs, or activities shall not form part of the business profits of the Company.
- 11.3 The Board shall be responsible for sanctioning the CSR Expenditure and to further make sure that the CSR Committee, if any, is taking necessary steps to ensure that the amount allocated for the CSR Expenditure is available to the Implementation Group/Agency, if any, for application towards the approved CSR Activities. Based on the total approved budget, funds would be allocated for different projects on the basis of identified CSR plan on a yearly basis.
- 11.4 The expenditure incurred for CSR activities by the Company is subject to audit by the Internal Auditors of the Company, if any. Such audit shall be carried out at half-yearly or such other intervals as may be advised by the CSR Committee or the Board.
- 11.5 Any CSR amount remaining unspent pursuant to any ongoing project, subject to the prescribed conditions, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the Company on that behalf for that financial year in any scheduled bank to be called as the "Unspent Corporate Social Responsibility Account (CSR Account)". Such amount shall be spent by the Company in pursuance of its obligation towards the CSR Policy 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.



11.6 Where the unspent CSR amount does not relate to any ongoing project then such unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

11.7 Any surplus arising out of the CSR activities shall not form part of the business profit of a Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of this CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six (6) months from the expiry of the financial year.

11.8 Where the Company spends an amount in excess of the requirements, such Company may set off such excess amount against the requirement to spend (i.e. 2% of average net profit) up to immediate succeeding three (3) financial years' subject to the conditions that:

- i) the excess amount available for set-off shall not include the surplus arising out of the CSR activities, if any; and/or
- ii) the Board of the Company shall pass a resolution to that effect.

11.9 In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws and shall not include the following, namely:

- i) activities that are undertaken in pursuance of the normal course of business of the Company;
- ii) any activity, undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at the national level or India at the international level;
- iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- iv) activities benefitting employees of the Company;
- v) activities supported by the Companies on a sponsorship basis for deriving marketing benefits for its products or services;
- vi) activities carried out for the fulfillment of any other statutory obligations under any law in force in India.

11.10 The administrative overheads spent by the Company shall be less than or equal to 5% of the total CSR expenditure of the Company for the financial year.



11.11 At the end of each financial year, the Company shall prepare an annual report on CSR containing the particulars as furnished in Annexure 1 of the Rules.

## 12 UNSPENT CSR ACCOUNT

12.1 A special bank account, called an Unspent CSR Account for the financial year to be opened by the Company in any scheduled bank. The account shall be credited with the following:

Sr. No.	Nature of unspent amount	Action required	Timelines
1	The unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the Company to be called as an 'Unspent CSR Account'	Within a period of 30 days from the end of the financial year
2	Unspent amount pertains to 'other than ongoing projects'	Transfer the unspent amount to any fund included in Schedule VII of the Act	Within a period of six (6) months from the end of the financial year
3	Any surplus amount arising from the CSR Project, whether discontinued or completed	It shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account	Within a period of six (6) months from the expiry of the financial year

## 13 CSR ACTIVITIES AND STRATEGY

13.1 The CSR policy should exclude the normal business activities of the Company. As per the CSR policy, the activities included by the Company are to be related to the activities included in Schedule VII of the Companies Act. The CSR activities may be either independent projects and programs or activities, either new or ongoing, but will not include the activities that are undertaken in pursuance to the normal course of the business. Similarly, the contribution of any amount directly or indirectly made to any political party shall not be considered as CSR activity. While, taking up any CSR activities and for spending the amount year marked for CSR activities, preference shall be given to local areas and areas in and around where the branches operate.





13.2 The gist of the activities for which the Company will spend the targeted amount which specified in the objectives of the CSR policy, the Company may cover all or any of the following activities under the CSR undertaken in India. In other words, expenditures incurred in CSR projects or programs or activities undertaken outside India are not eligible to be covered under CSR expenditure.

The CSR policy of the company shall include the following activities:

- 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, daycare centers, 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, agro-forestry, the conservation of natural resources, and maintaining the 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 arts 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 recognized 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 Government for social-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities, and women;
- ix) 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 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 Organization (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 purpose of this item, the item 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under law for the time being in force;

xii) Disaster management including relief, rehabilitation, and reconstruction activities; and

xiii) Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.

13.3 The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved, etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

13.4 The strategy for implementation of the CSR activities will be reviewed from time to time, The Board may decide to undertake the CSR activities approved by the CSR committee through a registered trust or a Society or a Company, established by the Company itself or it's holding Company or any other Associate Company under Section 8 of the Companies Act.

13.5 The Company may also collaborate with other Companies, Trust, and Societies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of the respective Companies are in a position to report separately on such projects or programs in accordance with the mechanism approved by the CSR Committee.

13.6 Subject to the approval of the CSR Committee of the Board, the Company may also build the CSR capacities of the employees of the Company or other implementing Agencies through institutions with established track records of at least 3 financial years, but such expenditure shall not exceed 5% of the total CSR expenditure of the Company in one financial year.

## 14 APPROVAL OF CSR ACTIVITIES

- 14.1 The CSR activities to be undertaken by the Company under the Policy shall be presented and approved by way of the Annual Action Plan to the Board either on its own or by the CSR Committee, if any, along with its recommendations.
- 14.2 The Annual Action Plan shall, inter alia, shall contain the following information/recommendations with respect to the CSR activity or projects proposed to be undertaken by the Company:
- i) The list of CSR projects or programs that are to be undertaken in the relevant financial year; in areas or subjects specified in Schedule VII of the act;
  - ii) The objectives and expected results of the CSR Activity;
  - iii) The relevant sector and the nature of the CSR Activity;
  - iv) The focus area/ location for implementation of the CSR Activity;
  - v) The manner of execution of such projects or programs- whether the activity should be undertaken by the implementation group or any implementation agency or in collaboration with any other Company;
  - vi) The modalities of utilization of funds and amount to be allocated towards the CSR Activity;
  - vii) CSR budget with projections;
  - viii) The implementation schedule for the projects with indicative timelines for completion of the CSR Activity;
  - ix) Monitoring and reporting mechanism as prescribed in [clauses 17](#) and [18](#) of this policy;
  - x) Details of need and impact assessment, if any, for the projects undertaken; and
  - xi) Any other information/details as may be required or deemed necessary by the Board or CSR Committee, if any.
- 14.3 In case any of the CSR Activities to be undertaken are anticipated to be long term i.e. an ongoing project being of a term of 3 (three) years excluding the financial year in which it was commenced, then a detailed estimate on the implementation schedule or milestones shall be submitted by the CSR Committee to the Board.
- 14.4 Based on the recommendations of the CSR Committee, or by the Board itself, the Board shall approve the CSR activities of the Company for a given financial year.
- 14.5 The Board has the absolute authority to update, alter, modify, amend, withdraw, and replace such Annual Action Plan at any time, during the financial year, based on the reasonable justifications to that effect.



## 15 IMPACT ASSESSMENT

In case the Company is having average CSR obligation of INR 10 Crores or more (Indian Rupees Ten Crores or more) in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, the Company shall undertake impact assessment (through an independent agency) for CSR projects that have outlays of INR 1 crore or more (Indian Rupees One Crore or more) and have been completed at least one year before undertaking the impact study and the impact assessment reports shall be placed before the Board and disclosed as per the Act and the CSR Rules.

## 16 CERTIFICATION

- 16.1 The Chief Financial Officer ("CFO") or the person responsible for the financial management of the Company shall certify that CSR funds so disbursed have been utilized for the purposes and in the manner, as approved by the Board and such certification shall be placed before the Board or CSR Committee, if any.
- 16.2 The CFO or the person responsible for the financial management of the Company shall be responsible to check the authenticity or get a counter certificate from a third-party evaluation team/Auditors to ensure that CSR funds so disbursed have been utilized if required.
- 16.3 The CFO or the person responsible for the financial management of the Company shall collectively certify all the CSR activities to the Board on such frequency as may be decided by the Board. For example, per tranche of funding; per project; half yearly; yearly, and so on.

## 17 MONITORING PROCESS

- 17.1 Under the overall supervision of the Board and the CSR Committee, if any, an internal working and monitoring team of the Company shall ensure effective implementation and monitoring of the CSR projects as approved by the Board from time to time. Further, it shall be ensured that the objectives of CSR Policy are being met and the utilization of the amount sanctioned towards CSR Activities shall be reported by the Implementation Group or any, if any, to the Board as well the CSR Committee in such manner as the CSR Committee or Board may direct.
- 17.2 The CSR activities shall be effectively and objectively monitored using appropriate monitoring tools that may include one or more of the third-party audit(s) or certification(s), impact assessment(s), self-assessment report(s), field visit(s), periodical review(s) or any other appropriate mechanism as approved by the Board.



17.3 The Board or the CSR Committee, if any, may meet on a need basis, to review the overall progress on activities determined under the Annual Action Plan, preferably on a quarterly basis but not less than twice a year.

17.4 The Board shall review the status of implementation and fund utilization of the various projects and programs as approved under the Annual Action Plan at least once a year.

## **18 REPORTING DISCLOSURE AND RECORD KEEPING**

18.1 In respect of the reporting, the Board shall be responsible to ensure the following, namely:

- i) As per the CSR Rules, an annual report on CSR containing particulars specified in Annexure I or Annexure II of the Rules, as applicable, shall be included in the Board's Report and the same shall be displayed on the Company's website, if any;
- ii) The contents of the latest and updated version of the CSR Policy shall be included in the report of the Board;
- iii) In case of failure to ensure the spending of minimum CSR Expenditure, detailed reasons for the same shall be adequately disclosed in the Board Report; and
- iv) The impact assessment reports shall also be placed before the Board which shall be annexed to the annual report on CSR.

## **19 AMENDMENTS TO THE CSR POLICY**

19.1 This policy shall remain in force unless and until amended or withdrawn by the Board.

19.2 The Board of Directors, either on its own or as per the recommendations of the CSR Committee, if any, can amend, alter, review, or substitute this CSR Policy, as and when required, without any prior intimation to any stakeholder for justified reasons. The decision of the Board of Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. Further, any or all the provisions of this Policy would be subject to continuous review, revision/amendment and updates, in accordance with the guidelines as may be issued by the Government of India, as and when required from time to time.



19.3 In case of doubt with regard to any of the provisions of this Policy, and also in respect of matters not covered herein, the interpretation and decision of the Board shall be final.

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## **HYVE SOLUTIONS INDIA PRIVATE LIMITED**

### **Corporate Social Responsibility (CSR) Annual Action Plan**

[In terms of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### **I. Introduction**

In terms of the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, Hyve Solutions India Private Limited ("the Company") is undertaking certain Corporate Social Responsibility (CSR) projects/ programs. The Board of the Company, in the absence of the CSR Committee, hereby formulates and recommends an Annual Action Plan for the CSR activities, for further approval in the meeting of the Board of Directors, which shall set the target to make the contributions in areas or subjects specified in the CSR Policy of the Company addressed with the Schedule VII of the Companies Act, 2013. The details of each of the CSR activities/ programs to be undertaken during the Financial Year 2024-25 are mentioned in the Annual Action Plan hereunder. Further, the Board may alter the Annual Action Plan at any time during a financial year, as per the recommendation of the CSR Committee, if any, or by the Board based on the reasonable justifications to that effect. Words and expressions not defined in this Annual Action Plan shall have the same meaning as contained in the CSR Policy of the Company read with the provisions of the Companies Act, 2013 and the Rules made thereunder.

#### **II. Projects/ Activities Selection**

Projects/ Activities shall be identified and planned in a participatory manner, in consultation with the Board of the Company. This year, the Company has set-off the CSR obligation (i.e. 2% of the average net profit of the previous 3 years) with available amount and for the remaining CSR obligation Company is considering to authorize an implementing agency to contribute subject to the approval of the Board.

The Committee meeting, if any, or in its absence the Board shall conduct the meeting at least once every year, as per the convenience of all Board members, to identify and review the progress of the projects, and payment status and suggest recommendation/ rejection of new applications as presented to them, based on the budget available for the respective CSR



projects and activities.

### III. Project Execution

The Company may commence each project with an agreement in place between the Company and the executing agency or organization, if any, wherein the budget, timelines, roles, and responsibilities of either party and payment terms may be included.

### IV. Funding and Allocation (CSR Budget)

In line with the CSR Vision, the Board of the Company shall ensure that the Company utilizes allocated funds in each financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years, and further shall comply the provisions of applicable laws in accordance with the CSR Policy of the Company. Following are the Net Profit and other details for the preceding financial years to determine the CSR obligation of the Company:

S. No.	Particulars	Amount in INR (in thousands)		
		Financial Year 2023-24	Financial Year 2022-23	Financial Year 2021-22
1.	Profit/(Loss) Before Tax	56,624.00	55,932.00	1,41,703.00
2.	Net Profit/(Loss) computed u/s 198	56,624.00	55,932.00	1,41,703.00
3.	Total amount adjusted as per rule 2(1)(h) of CSR Policy Rules 2014	-	-	-
4.	Total Net Profit for section 135 [2-3]	56,624.00	55,932.00	1,41,703.00
5.	Average Net profit as per section 135(5)	84,753.00		
6.	2% of Average Net Profit as per section 135(5)	1,695.06		
7.	Surplus arising out of the CSR projects/ activities of the previous FY, if any	-		
8.	Amount required to be set off for the FY, if any	215.88		
9.	<b>Total CSR obligation for the FY</b>	1,479.18		
10.	<b>Total CSR to be C/F [6+7-8]</b>	-		





**V. Expected Results of the CSR activities to be undertaken**

As per the above calculation of CSR obligation, the Company has to contribute toward CSR activities as per the Action Plan.

**VI. Annual CSR Activity Plan**

This year Company has decided to approach an Implementing Agency to fulfil its CSR obligation and the same is detailed below as '**Annexure A**'.



**'Annexure A'**

Sr. No.	Name and Location of the Project	Area/subject specifies under Schedule VII of the Act	Manner of Execution	Modalities of Utilization of Fund	Implementation Schedule	Monitoring and Reporting	Amount actually require to be spend in INR
1.	Clean Ganga Fund, set up by the Central Government for the rejuvenation of the river Ganga	Ensuring Environmental Sustainability	Direct by the Company	Funding for the conservation efforts for River Ganga was chosen from the Namami Gange program of the Government of India.	On or before 31 <sup>st</sup> March 2025	As per the mechanism prescribed under the CSR Policy	2,15,880/-
2.	Any other NGO or Projects	<b>Pledge A Smile Foundation</b> NGO registered in New Delhi <a href="https://pledgeasmile.com/">https://pledgeasmile.com/</a>	Through an Implementing Agency	Funding through 5 different and unique projects like Project QADAM, SEVA, RAHAT, MUSKAAN, and NOORI support government school students in India.	On or before 31 <sup>st</sup> March 2025	As per the mechanism prescribed under the CSR Policy	14,79,180/-

**Note:**

In terms of the provisions of Section 135 of the Companies Act, 2013 ("the Act"), and rules made thereunder, the Company is mandatorily required to spend an amount of INR 16,95,060/- (Indian Rupees Sixteen Lac Ninety-Five Thousand Sixty only) towards the CSR activities as prescribed in the CSR Policy and in accordance with Schedule VII of the Act. However, the Company is eligible to set off the said amount from the excess amount spent prior in the previous years (i.e. FY 2021-22) in the Clean Ganga Fund as set up by the Central Government and that amount available to set off is INR 2,15,880/- (Indian Rupees Two Lac Fifteen Thousand Eight Hundred Eighty only).

Therefore, the amount INR 2,15,880/- will be considered/deemed as contributed to the Clean Ganga Fund and the remaining CSR obligation i.e. INR 14,79,180 (Indian Rupees Fourteen Lac Seventy-Nine Thousand One Hundred Eighty only) will be spent through the appointed implementing agency.