

HFCL CSR: ANNUAL ACTION PLAN

1.

FINANCIAL YEAR 2023-24						
Sl. No.	Name of the CSR Project/ Program	Areas/Subjects specified under Schedule VII of the Companies Act, 2013	Allocated Budget (In INR)	Implementation Schedule	Manner of execution (Direct/ through Implementing Agency)	Details of need and impact assessment, if any
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
1	Advance Medical Relief – PAN India (Ongoing)	Promoting health care including preventive health	₹ 2,50,00,000	On or before 31st March 2026	Through Implementing Agency	Not Applicable
2	SAMARTH – PAN India (Ongoing)	Promoting education, including special need education and employment enhancing vocation skills	₹ 2,25,00,000	On or before 31st March 2026	Through Implementing Agency	Not Applicable
3	Animal Welfare Program – Delhi NCR (Other than ongoing)	Animal welfare	₹ 20,00,000	On or before 31st March 2024	Through Implementing Agency	Not Applicable
4	KARUNA* – PAN India (Ongoing)	Old Age Care	₹ 1,50,00,000	On or before 31st March 2026	Direct & Through Implementing Agency	Not Applicable
		Environmental sustainability	₹ 5,00,000	On or before 31st March 2026	Direct & Through Implementing Agency	
		Provision of educational and sports training scholarship for talented individuals with limited financial means	₹ 15,00,000	On or before 31st March 2026	Direct & Through Implementing Agency	

		Rural and slum area development Projects, reducing inequalities faced by socially and economically backward groups, eradicating hunger, poverty, malnutrition and providing financial support	₹ 15,00,000	On or before 31st March 2026	Direct & Through Implementing Agency	
		Disaster relief and rehabilitation	₹ 15,00,000	On or before 31st March 2026	Direct & Through Implementing Agency	
5	CSR Overheads	CSR Overheads	₹ 35,00,000	On or before 31st March 2023	Direct	Not Applicable
Total			₹ 7,30,00,000			

**The funds allocated to each sub-category, except for Old Age Care, can be used partially or completely across the KARUNA Project based on specific needs.*

2.	<u>CSR liabilities for FY 2023-2024 i.e. 2% of the average net profit of the Company made during the three immediately preceding financial years i.e. 2020-21-2022-23, in terms of section 198 of the Company Act, 2013</u>	₹ 7,18,49,809
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3. MODALITIES OF UTILIZATION OF FUNDS

- a. The CSR budget will be fixed in accordance with the provisions of the Companies Act 2013, Rules made thereunder and the Guidelines.
- b. The budget will not be less than 2% of the average net profits of the Company during the three immediately preceding financial years.
- c. The CSR budget will be spent on CSR activities which will be approved by the Board on the recommendation of the CSR Committee.
- d. Funds will be disbursed in phase(s)/ tranche(s) wise depending on the nature of the project. On the basis of the expenses incurred & the submission of the relevant supporting of the expenses, i.e. receipts, invoices, bank statements, etc. respective amount will be disbursed at different intervals as per the timeline agreed.
- e. CSR team will collect all the set deliverables from the implementation partners.

4. MONITORING AND REPORTING MECHANISM FOR THE PROJECTS OR PROGRAMMES;

The Monitoring Mechanism of each project will differ on the basis of the nature of the project. All the projects will be monitored & evaluated as per the objectives & deliverables set for respective projects as per Board & Committee recommendations.

- a. The CSR projects will be monitored at different intervals through field visits, monthly calls & reporting, cross reference communication with stakeholders etc.
- b. For the purpose of proper monitoring of the CSR projects, each project shall include well-defined timeline & parameters.
- c. Wherever applicable, Utilization Certificate with a statement of expenditure duly certified by a Practicing Chartered Accountant/Authorized Auditor will be submitted by the partner organizations.
- d. **Reporting & Documentation:**
 - (i) Project documentation: Reports like quarterly report, half-yearly report, annual report/closure report, case studies, etc. will be collected by the CSR team as per the agreed timeline for each project.
 - (ii) Financial Tracking: In order to track the proper utilization of funds, wherever applicable, at different intervals of the project, CSR teams will collect & cross-check financial documents like invoices, salary slips & receipts, bank statements, Fund Utilization Certificate, etc.

- 5. ALTERATION AND MODIFICATION OF AAP:** The Board hereby reserves all rights to alter and modify the given plan at any time, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Based on the recommendation of the CSR committee, the Board in its meeting held on September 01, 2023, has approved the above plan of action for undertaking its Corporate Social Responsibility (CSR) for the financial year 2023- 2024.