

CORPORATE SOCIAL RESPONSIBILITY POLICY OF HKRP INNOVATIONS LIMITED

(This Policy is as per the recommendations of the CSR Committee Meeting held on 15th May, 2025 and approved by the Board of Directors at its meeting held on 15th May, 2025.)

BACK GROUND:

In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as mandated by the Ministry of Corporate Affairs, Government of India, under Section 135 of the Companies Act, 2013, our Board of Directors has formulated a Corporate Social Responsibility (CSR) Policy. This policy was duly approved by the Board at their meeting held on April 5, 2025.

CORPORATE SOCIAL RESPONSIBILITY (CSR)- PREAMBLE:

HKRP Innovations Limited recognizes its role as a responsible corporate citizen and is committed to contributing to the economic, social, and environmental development of the communities in which it operates. In accordance with the Companies Act, 2013, and the CSR Rules framed thereunder, the Company has formulated this Corporate Social Responsibility Policy to outline its approach towards CSR initiatives and activities.

This policy serves as a guiding framework for the Company CSR endeavours, ensuring that its contributions are impactful, sustainable, and aligned with its business objectives.

CSR OBJECTIVE:

As a responsible corporate citizen, HKRP Innovations Limited is committed to sustainable development and inclusive growth. While the Company will continue to support activities as per Schedule VII of the Companies Act, 2013, the main objective of our CSR policy is to integrate CSR as a key business process for the sustainable development of society. The Company aims to act as a good corporate citizen, supplementing the role of the Government in enhancing societal welfare measures within the framework of this policy.

CSR ACTIVITIES/ PROJECTS/PROGRAMS:

In the aforesaid background, policy on CSR of HKRP Innovations Limited is broadly framed taking into account the following measures:

- Activities exclusively benefiting HKRP Innovations Limited employees or their family members will not be considered CSR activities.
- The Company will prioritize local areas where it operates for CSR spending, focusing on initiatives that benefit the surrounding communities.

The following is the list of CSR projects or programs which HKRP Innovations Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013.

1. 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.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. 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.
4. 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.
5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents and Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
7. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports

8. 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 socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
9. 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).]
10. Rural development projects.
11. Slum area development.
12. Disaster management, including relief, rehabilitation and reconstruction activities.
13. Implementing other CSR activities approved by the Board of Directors, in accordance with Section 135 of the Companies Act, 2013, and rules made there-under.

CSR APPLICIBILITY:

Pursuant to "Section 135 of the Companies Act, 2013" each Company which falls under any of the following criteria shall adopt a Corporate Social Responsibility (CSR) program, and shall endeavour to spend minimum 2% of its average net profits during 3 immediately preceding financial years or where the company has not completed the period of three financial years

since its incorporation, during such immediately preceding financial years on CSR activities as prescribed in Schedule VII of the Companies Act, 2013:

- Net Worth of Rs. 500 crores or more or
- Turnover of Rs. 1000 crores or more or
- Net Profit of Rs. 5 crores or more.

CSR SPEND/BUDGET:

Company required to spend on its CSR activities every year, 2% of its average Net Profits during every block of three years. 'Net Profit' shall be calculated in the manner prescribed by the Act and the CSR Rules. Any 'Income' or 'Surplus' that may arise from its CSR activities would also be included in the CSR corpus and will not form part of business profits of the Company. The CSR activities of the Company shall not include any benefits which are exclusively for the employees of the Company or their family members.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount and unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year and if *unspent amount relating to an ongoing project* The amount 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 in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account (UCSRA).

COMPLIANCE WITH COMPANIES ACT, 2013

Our Corporate Social Responsibility (CSR) policy is designed in accordance with Section 135 of the Companies Act, 2013.

PUBLICATION:

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

GOVERNANCE

Board of Directors - The Board of Directors of the Company will be responsible for:

- Setting up the CSR Committee as per the Act;
- Approving the CSR Policy and list of activities as formulated by the CSR Committee;
- Ensuring that in each Financial Year the Company spends at least 2% of the average net profit made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years]
- Ensuring that every Financial Year, funds committed by the Company for CSR Projects / Programs are utilized effectively, and regularly monitoring implementation;
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR Projects / Programs on the Company website; if any &
- Ensuring annual reporting of CSR Policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format, if required
- Reviewing and amending the Annual Action Plan, during the course of the Financial Year based on reasonable justification to that effect;

CSR Committee:

The CSR Committee shall comprise of at least three Directors of the Company, of which one Director shall be an Independent Director.

The CSR Committee will be responsible for:

- Formulating the CSR Policy in compliance with the Act;
- Identifying Projects / Programs to be undertaken as per Schedule VII of the Act;
- Recommending to the Board the CSR expenditure to be incurred;
- Recommending Board Annual Action Plan for CSR
- Regularly monitoring the implementation of the CSR Policy
- Identifying and engaging with partners such as NGOs, business partners etc. for effective implementation of the CSR Policy;
- Constituting a transparent monitoring mechanism to ensure implementation of the CSR Projects / Programs undertaken by the Company;

- Reporting to the Board on the progress of the various CSR Projects / Programs and spends on a regular basis; and
- Recommending to the Board, modifications to the CSR Policy as and when required.

Formulating the Annual Action Plan:

The CSR Committee as per requirement of Companies Act, 2013 may submit an Annual Action Plan to the Board detailing the list of CSR Activities planned for that Financial Year, along with the proposed implementation schedules, monitoring mechanism and if impact assessment is required to be undertaken in case of applicable projects. The CSR Committee will monitor the implementation of the CSR projects and recommend changes to the action plan during the year if so required and recommend such amended plan to the Board, along with sufficient justification for such changes.

The CSR Committee will submit an Action Plan to the Board of the Company. The plan encompasses the following components;

- List of CSR Activities to be undertaken in the relevant financial year;
- Names of CSR Projects/ Programmes and Location
- Brief description of the project
- Local area where the CSR Activities are to be undertaken;
- Activity under Schedule VII
- Manner of execution;
- Allocation of Budget
- Modalities of utilisation of funds;
- Implementation Schedule;
- Monitoring and reporting mechanism; and
- Details of need and impact assessment, if any

AMENDMENTS TO THE CSR POLICY:

The Board of Directors of HKRP Innovations Limited reserves the right to revise, modify, or amend this CSR Policy as deemed necessary. Any amendments will be made in accordance with changes to the Companies Act, 2013, and CSR Rules notified by the Ministry of Corporate Affairs.
