

Updesco

UTTAR PRADESH DEVELOPMENT SYSTEMS
CORPORATION LIMITED

CORPORATE SOCIAL RESPONSIBILITY
POLICY

**1. UTTAR PRADESH DEVELOPMENT SYSTEMS CORPORATION LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY**

- 2 This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by **UTTAR PRADESH DEVELOPMENT SYSTEMS CORPORATION LIMITED**(the Company) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014 and Companies Act 2013, shall apply to this CSR Policy.

3. COMPANY PHILOSOPHY FOR CSR POLICY:

Companies Act, 2013 has formally introduced the Corporate Social Responsibility to the dash board of the Indian Companies. UPDesco is much positive and appreciate the decision taken by the Government of India. Legal framework of CSR is an edge to Corporate Charitable/reformative approach towards the Society to which the Corporate is belonging to.

By introducing the separate section for CSR in Companies Act, 2013, the Government has given legal recognition to their community development approach. The management of the UPDesco expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors:

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| 1. Managing Director, UPDesco | - Chairman |
| 2. Representative of Finance Deptt., Govt. of U.P.
who is Director on Board of UPdesco. | - Member |
| 3. Representative of Planning Deptt., Govt. of U.P.
who is Director on Board of UPdesco. | - Member |

When the Independent Director will be nominated on Board of Directors of UPdesco, He also will be the Member of the Committee.

Member Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India.

The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.

5. CSR ACTIVITIES:

Pursuant to Schedule VII of the Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertake under the CSR policy of the Company.

The Board of Directors has reviewed the said activities and express its consent to the Committee to pursue the said activities under CSR policy of the Company under section 135 of the Companies Act, 2014, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time to time.

Approved CSR Activities:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and 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;
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 arts and handicrafts;

6. measures for the benefit of armed forces veterans, war widows and their dependents;
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 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;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. rural development projects;
11. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

6. BUDGET FOR CSR ACTIVITY & CSR EXPENSES:

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.

7. IDENTIFICATION OF ACTIVITIES/ PROJECTS:

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the Organisation operates or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

8. IMPLEMENTATION PROCESS:

After prioritizing the activity the Committee shall finalise the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

9. ORGANISATIONAL RESPONSIBILITY:

At organisational level for implementation of agreed CSR activity, the committee may constitute an implementation team or authorised any of the Department of the Company to organize for the implementation of the CSR activity. The team or respective department shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

10. MONITORING BY THE BOARD:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process. Compliance and Reporting to Board: The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further

work to do in the concern CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

11. MANAGEMENT COMMITMENT:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy. Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

- 12.** The Company will contribute to sustainable development by its economic activities combined with the fulfilment of its social responsibilities relating to the education, health, safety and environment.

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