



Corporate Social Responsibility Policy

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L&T TECHNOLOGY SERVICES LIMITED

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L&T Technology Services Limited

Corporate Social Responsibility (CSR) Policy Framework

01. CSR Philosophy

L&T Technology Services Limited ('LTTS / the Company') fosters a culture of caring, trust and continuous learning while meeting the expectations of all stakeholders and society at large. As a responsible Corporate Citizen, the Company contributes towards inclusive growth by empowering communities and accelerating development. Through Company's social investments, LTTS addresses the needs of communities residing in the vicinity by providing facilities, taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development.

The Company's CSR Policy framework details the mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, for the benefit of the community.

02. CSR Themes

The Company will primarily focus on its CSR program for the betterment of society which will include the following verticals, –

- a. **Environment** - 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 by way of but not limited to:
 - Educating the public on effective solid waste management;
 - Construction and periodic cleaning of drains for free flow of liquid waste;
 - Undertaking afforestation measures and supporting conservation measures to protect forest areas and prevent forest fires;
 - Construction of various water and soil conservation structures, including rainwater harvesting systems to increase the groundwater level, reduce soil erosion and increase crop cultivation area;
 - Making clean drinking water available, conservation and purification of water;
 - Support during natural disasters by providing immediate relief, rehabilitation, reconstruction and supporting sustainable livelihood projects to individuals and families affected by the disaster.



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- Support animal welfare activities by supporting all types of infrastructure support for creating animal Shelter, conducting Veterinary camps , rehabilitation and treatment support etc including efforts for birds nesting, awareness campaign on animal care.
- b. Education** - may include but not limited to:
- Providing technical & engineering knowledge and enhance the technical know-how among the students/teachers;
 - Supporting differently-abled and other students by providing infrastructure support;
 - Promoting education including financial support by way of sponsorship of fees;
 - Providing Information Technology related and employment enhancing vocational trainings to women and the differently abled people;
 - Making monetary contribution to academic institutions towards technical and non-technical training and contribution to Public funded universities.
 - Creating awareness amongst students/children with respect to Environmental issues.
- c. Health** - may include but not limited to community health centres, mobile medical vans, dialysis centres, general and specialized health camps and outreach programs, centres for elderly / disabled, support to HIV / AIDS /cancer program. Providing medical equipment's/ technological gadgets to government, charitable hospitals and institutions.
- d. Skill Development** - may include but not limited to vocational training such as skill building, computer training, women empowerment, support to ITI's, support to specially abled (infrastructure support & vocational training), providing employability skills, creating training centers and activities to support traditional skills and arts, to pursue research and development (R&D) by contributing to the society through development of superior technology and products.
- e. Sports-** To train and promote sports at basic, club, state, national and international levels for differently / specially abled people as a career and to attain self-confidence / self-sufficiency – eg. Wheelchair tennis, cricket for blind etc. to be delivered through credible, experienced NGOs, sports academia / institutions involved in promoting sports across the country for such category of people in the society.

The Company may undertake other need-based initiatives in compliance with Schedule VII of the Companies Act, 2013 with the approval of the Board and the CSR Committee.



Governance & Technology would be the Key drivers across all these verticals for strengthening systems and processes to achieve measurable results.

The Company harnesses Innovation and Technology driven solutions to address the social needs of Education, Health, Skill Development, Environment and Sports where feasible.

03. CSR Budget

- The Board of the Company shall allocate at least 2% of the average profit (as required by Companies Act 2013) during the three preceding financial years.
- The Company may collaborate or pool resources with other entities to undertake CSR activities.
- In case of any surplus arising out of CSR programs the same shall not form part of business profits of the Company and shall be ploughed back into the same project or transferred as per the provisions of the CSR Rules.
- The Company will comply with the provisions of the Act and the CSR Rules with respect to Unspent CSR amount in regard to Ongoing Projects and projects other than Ongoing Project.

04. CSR - Roles and responsibilities

The CSR Governance structure comprises of the CSR Committee and Board of Directors of the Company.

a. **The Board:**

The Board of Directors of the Company will:

- Form a CSR Committee comprising of minimum three Directors including atleast one Independent Director.
- Formulate and approve the CSR Policy upon recommendation of CSR Committee in line with the applicable CSR rules, as amended from time to time.
- Approval of Annual Action Plan on recommendation of CSR Committee.



- Ensure spend of at least 2% of average profit during the three preceding financial years.
- Disclose the content of the CSR Policy, Composition of CSR Committee, Annual Action Plan on the Company's website as prescribed under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. Ensure that the social programs / projects undertaken are aligned to the CSR Policy of the Company.
- Specify reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.
- Oversee and adhere to all other responsibilities as mandated by the CSR Rules as amended from time to time.
- Authorize the CSR Committee to undertake urgent CSR activities in the nature of disaster relief.

b. CSR Committee of the Board:

The Board has formed the CSR Committee in accordance with the requirements of the Act.

Responsibility of the CSR Committee:

The CSR Committee shall:

- Formulate and recommend the CSR Policy in line with the applicable CSR rules, as amended from time to time to the Board for approval.
- Monitor the CSR Policy from time to time.
- Recommend the Projects / Programs to be undertaken with detail the amount of expenditure to be expended.
- Evolve and constitute transparent monitoring mechanism for ensuring implementation of the CSR program.
- Facilitate effective implementation of CSR Policy.
- Review periodically the CSR Policy and implementation of programs to achieve desired outcome or Impact for community development.
- Finalize the Annual CSR Report and submit the same to the Board of



Directors.

- Formulate and recommend to the Board an Annual Action Plan.
- Categorizing a project as a multi-year project, wherever required.
- Approve urgent CSR activities in the nature of disaster relief and inform the Board subsequently of the same.
- Recommending set off excess amount spent in any financial year for the next three financial years.
- Ensure transfer of unspent amount to a Special Account and spending the same within three years from the date of transfer for ongoing project.
- For other than ongoing projects, ensure transfer of unspent amount to a fund specified in Schedule VII within six months of end of financial year.
- To monitor utilization of the funds by the implementation agency as per the approved project timelines.
- To carry out impact assessment of projects as maybe applicable under the CSR Rules, as amended from time to time.

05.CSR Program Implementation

- The CSR program / Project will be undertaken by the Company in identified areas.
- The Company will undertake its CSR activities directly as projects / programs / activities or through Registered Trusts/Section 8 companies or by making contributions to the CSR team of the parent company. The Company will select its partners after appropriate due diligence.
- The time period /duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.
- The Company may enter into partnerships with the Government, business partners and communities to create multiplier effect of its social programs. However, such entities shall have an established track record of 3 years undertaking such projects / programs.



- The Company may undertake CSR project / program in collaboration with other companies when the CSR Committees of respective companies are in a position to evaluate and report the progress of the projects/ programs.
- The Company may use the services of internal teams, employee volunteers, expert agencies, consultancy firms, etc. wherever required for carrying out base line surveys, guidance on program design and implementation, impact assessment surveys, etc.

06.CSR Monitoring and Reporting Framework

The Company has constituted a mechanism to monitor and report the progress of its CSR programs at various locations. The CSR Teams will be responsible for monitoring and implementing the CSR programs.

The CSR Department & Teams will;

- Analyze the projects, analyze their utility and efficacy, and suggest suitable changes / modifications in line with the CSR policy.
- In case Projects / Programs are being planned to be executed through partners / implementing agencies, the CSR Team will verify and establish the credibility of such partners / implementing agencies.
- Ensure compliance of the Rules / Regulations / Law by such partner / implementing agency.
- Ensure that the partner / implementing agency submits periodic reports to the CSR Department / Team regarding their status of operations.
- Conduct CSR audits once in a year for the Projects / Programs and report discrepancies, if any, to the CSR Committee
- Conduct mid-course reviews and recommend mid-course corrections, if necessitated.
- Monitor progress of the programs closely.
- Prepare CSR annual reports and ensure their timely submission to the CSR Committee.
- Ensure any surplus arising out of contribution made for CSR activities shall not form part of business profits of the Company and redistributed in such activities.

07.CSR Disclosure

The CSR Policy framework, Committee composition and projects approved by the Board will be displayed on the website of the Company. The Board will include in its Board report, a report on the CSR activities in the format specified under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. Impact Assessment Reports will also be attached to the Annual report on CSR.



08. Review & Amendment

Any changes in the CSR Policy arising out of statutory amendments will be reviewed by the CSR Committee and recommended to the Board for approval.