



# **GMR POWER AND URBAN INFRA LIMITED**

## **Corporate Social Responsibility (CSR) Policy**

## **CSR Policy for GMR Power and Urban Infra Limited**

**GMR Power and Urban Infra Limited (the Company)**, a part of GMR Group, has formulated a CSR Policy of the Company. The Company recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Company intends to support corporate social responsibility initiatives across the country on its own, or contribute funds to GMR Varalakshmi Foundation (a Section 8 Company registered under Section 12A and 80G of the Income Tax Act, 1961 and with requisite period track record as required under the Companies Act, 2013, read with the applicable Rules (**implementing partner**) or any other eligible implementing agency, to carry on activities/ multiyear projects or programmes indicated below.

While the geographic focus of the CSR activities can be in and around the business operational area, the company can support activities in any part of India with the approval of the CSR Committee and Board, or as per the Annual Action Plan.

In continuance to the community development initiatives being undertaken by the Company and in pursuance of the requirements of the Companies Act, 2013, the company as part of its CSR initiatives proposes to engage and work on the following areas (*with a special focus to geographical locations in India where GMR Power and Urban Infra Limited has presence*), herein after referred to as the **CSR Policy**:

i) **Education:**

- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged;
- Education for girl child and the under-privileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) **Health, Hygiene and Sanitation:**

- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;

- Eradicating hunger, poverty and malnutrition, promotion of 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;
- Reducing child mortality and improving maternal health;

iii) **Empowerment & Livelihoods:**

- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently-abled, and livelihood enhancement projects;
- promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Assist in skill development by providing direction and technical expertise for empowerment;

iv) **Community Development:**

- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc.

v) **Environmental sustainability:**

- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, 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;

vi) **Heritage and Culture:**

- 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;

vii) 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;

viii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

- ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
- x) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- xi) Other rural development projects;
- xii) Slum area development;

Explanation: 'Slum Area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- xiii) Such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

It may be noted that the above activities are indicative and are activities that the company may at any point of time engages but all such activities may not be taken up by the Company during the year. While the activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act 2013, the entries in the said Schedule VII must be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule. The items enlisted in the amended Schedule VII of the Act, are broad-based and are intended to cover a wide range of activities.

The expenditure incurred for the following activities shall not be treated as CSR activity by the Company

- Activities undertaken in pursuance of the normal course of business;
- Activities undertaken outside India; (*except for training of Indian sports personnel representing any state or union territory at national level or India at international level*)
- Activities that benefit exclusively the employees of the company;
- Contribution to political parties
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

-Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.)

Further, the surplus arising out of the CSR activity shall not form part of business profit of the Company.

**Surplus from CSR Activities:**

Any surplus arising out of the CSR activity shall:

- ✓ not form part of business profits of the Company
- ✓ should be ploughed back into the same project from which it has generated or shall be transferred to any Unspent CSR Account of the Company
- ✓ Should be spent within 3 years from the initiation of the project from which it is generated or transfer to a Fund specified in Schedule VII within a period of 6 months from the expiry of the financial year as decided by the CSR Committee and as per the Annual Action plan of the company,
- ✓ Should not form part of Excess amount available for set-off with CSR obligation in immediately succeeding financial years.

### **Monitoring of CSR Projects:**

At the beginning of each financial year, the CSR Committee of the Board will prepare a list of CSR Projects/ Activities/Programmes which the Company proposes to undertake during the financial year, specifying the modalities of execution in the areas/sectors chosen with implementation schedules for approval of the Board.

The CSR Committee of the Board will devised a mechanism for various CSR Projects / Programs / Activities undertaken by the Company including conduct of impact studies of CSR Projects / Programs on a periodic basis, through independent third party agencies according to the CSR Rules.

The CSR Committee shall review the progress of each project and monitor, review and evaluate the operations of the CSR Programmes at such frequency as it may deem fit to ensure orderly and efficient implementation of the CSR Programmes in accordance with the CSR Policy.

### **Annual Action Plan**

The Annual CSR Plan of CSR activities would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines inter- alia the following aspects of CSR initiatives of the Company:

- (a) The list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
- (b) The manner of execution of such projects or programs
- (c) The modalities of utilization of funds and implementation schedules for the projects or programs
- (d) Monitoring and reporting mechanism for the projects or programs
- (e) Details of need and impact assessment, if any, for the projects undertaken by the company: Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect

### **Monitoring and Reporting**

The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities.

The Company shall ensure that the CSR Policy, as amended from time to time, is displayed on the Company's website.

The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.



## **AMENDMENT**

Any amendment or modification in the Companies Act, 2013, Listing Regulations and any other applicable regulations relating to the CSR Policy shall automatically be applicable to the Company.