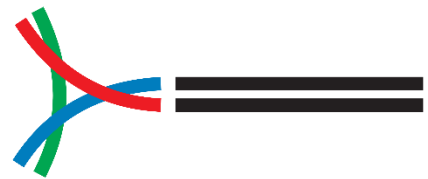


L&T METRO RAIL (HYDERABAD) LIMITED™



L&T Metro Rail
Hyderabad



CORPORATE SOCIAL RESPONSIBILITY POLICY

CORPORATE SOCIAL RESPONSIBILITY POLICY OF L&T METRO RAIL (HYDERABAD) LIMITED

PREAMBLE:

The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Corporate Responsibility towards the stakeholders is fast emerging as one of the major considerations for businesses in the country. CSR aims at connecting business to the society. The broader objective of CSR is to contribute towards a better society and cleaner environment.

The Policy is in compliance with Section 135 of the Companies Act, 2013 and the Rules made thereunder.

PURPOSE:

The main objective of CSR policy is to lay down guidelines for L&T Metro Rail (Hyderabad) Limited (the Company) to make CSR a key business process for sustainable development of the society and clean environment. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

POLICY OBJECTIVE:

- ❖ To set guiding principles for carrying out CSR activities.
- ❖ To set up a process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
- ❖ To engender a sense of empathy amongst the employees of the Company to give back to the society for the larger good.
- ❖ Demonstrate commitment to the common good through responsible business practices and good governance.

SCOPE:

The Company shall undertake in India (with a preference to the local area and areas around its operation) any of the following activities / projects / programs (“CSR activities”) or such other CSR activities as may be notified by the Ministry of Corporate Affairs from time to time, as a part of its CSR rules and guidelines.

- i. Eradicating hunger, poverty and malnutrition, promoting health, 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;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. 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 setup by the Central Government for rejuvenation of river Ganga;
- v. 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;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, Paralympic and Olympic sports;
- viii. 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;
- ix. Contribution or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- x. Rural development projects;

- xi. Slum area development i.e. 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;
- xii. Any other activities in relation of the above and/or all other activities which forms part of CSR as per Schedule VII of the Companies Act, 2013, as amended from time to time.

The Company shall not consider the activities undertaken for benefit of employees and their families as CSR activities.

CSR BUDGET & EXPENDITURE:

The Company shall strive to spend in every financial year at least such percentage of its average net profits made during the three immediately preceding financial years as may be notified by the Ministry of Corporate Affairs, Central Government from time to time.

The Company may depute its own employees or organizations with established track record of at least three financial years, to carry out CSR activities. The Company shall ensure that the expenditure incurred as administrative overheads in carrying out CSR activities shall not exceed such percentage of total CSR expenditure in one financial year as may be notified by the Ministry of Corporate Affairs, Central Government from time to time.

OPERATING PRINCIPLES:

The Company may undertake CSR activities as per this Policy on its own or through a registered trust or society or any other company which is its holding or subsidiary company as defined under Companies Act, 2013.

The CSR activities shall not include any activity undertaken by the Company in pursuance of its normal course of business.

CSR COMMITTEE & ROLE:

The Company had constituted the Corporate Social Responsibility Committee of the Board pursuant to Section 135 of the Companies Act, 2013 consisting of three members namely, the Managing Director, one Independent Director and Nominee Director of the Government of Telangana.

The CSR Committee shall carry out of the following functions:

- (a) recommend the CSR Policy to the Board;
- (b) identify the CSR activities to be undertaken by the Company;
- (c) recommend to the Board the activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, transparent monitoring mechanism for implementation and amount to be incurred on such activities;
- (d) monitor the CSR Policy of the Company from time to time;
- (e) such other functions as may be delegated and/or assigned by the Board from time to time.

CSR REPORTING:

The Board's Report of the Company shall include the particulars on CSR activities as may be notified under the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

Note: - Words and expressions used herein and not defined in this Policy shall have the same meanings respectively assigned to them in the Companies Act, 2013 and/or the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.