



Lanco Anpara Power Limited
Corporate Social Responsibility Policy

1. Purpose

The policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the area of health, sanitation, drinking water and infrastructure etc.) and are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company as amended from time to time.

2. Effective Date

This policy shall be effective from the date of approval by the Board of Directors.

3. Definitions

- (i) "Act" means the Companies Act, 2013.
- (ii) "Board of Directors" or "Board" means the collective body of the directors of the company.
- (iii) "Company" means "Lanco Anpara Power Limited."
- (iv) "CSR Committee" means Corporate Social Responsibility Committee constituted by the Board of Directors of the company.
- (v) "CSR Policy" means CSR Policy of Lanco Anpara Power Limited.
- (vi) "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (vii) "Implementing Agency" means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the company to implement various projects in pursuance of CSR Policy.

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the company.

4. Functions of CSR Committee

The function of the CSR Committee as constituted by the Board of Directors shall be as under:

- a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act as amended from time to time;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:

(i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;

(ii) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;

(iii) the modalities of utilisation of funds and implementation schedules for the projects or programs;

(iv) monitoring and reporting mechanism for the projects or programs; and

(v) details of need and impact assessment, if any, for the projects undertaken by the company;

d) Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.

e) To monitor the CSR Policy as approved by the Board from time to time.

The CSR Committee shall recommend the approach and direction of CSR activities to be undertaken by the company for:

(i) Selection of CSR projects / programmes / activities

(ii) Implementation of CSR projects / programmes / activities

(iii) Monitoring of CSR projects / programmes / activities

(iv) Formulation of the annual action plan

5. CSR Activities

Company shall undertake CSR activities for development of the society and the environment giving preference to the local area and areas around it where it operates.

A. The company shall undertake such activities which are broadly related to any of the following:

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation

(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 centres 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.

(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 art and handicrafts;

(vi) 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;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) Rural development projects.

(ix) Development of area declared as “slum area” by the Government or Competent Authority.

(x) Disaster management, including relief, rehabilitation and reconstruction activities.

B. The company may also contribute to the following funds as part of CSR activities:

(i) Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

(iii) 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;

(iv) 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;

(v) 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).

The following activities shall not form part of the CSR Activities of the Company:-

(i) activities undertaken in pursuance of normal course of business of the company:

(ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;

(iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;

(iv) activities benefitting employees of the company as defined in section 2(k) of the Code on Wages, 2019;

(v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

(vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the company. The CSR Committee should consider details of CSR projects as elaborated in the annual action plan for each financial year. Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board and CSR Committee.

6. Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following:

(a) the list of CSR projects or programmes that are approved and to be undertaken by the company

(b) the manner of execution of such projects or programmes

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company. The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

7. CSR Spending

The company shall endeavour to achieve the objectives of CSR Policy and allocate every year:

a. Minimum 2% of its average net profits made during the three immediately preceding financial years.

b. Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities.

All the expenditure relating to CSR shall be pre-approved by the CSR Committee. The CFO shall monitor the utilization of funds for the purposes set forth and certify to this effect. Unspent CSR amount, if any, shall be transferred to separate account in accordance with the applicable CSR Rules from time to time.

8. Mode of implementation

CSR programs, projects or activities of the company should be implemented through following methods:

- i. Directly by the company;
- ii. Implementing Agencies;
- iii. Any foundation or body incorporated by the company and eligible to undertake such CSR projects.
- iv. in collaboration with other organizations/ companies/Government agencies

While the company can engage suitable Implementing Agencies to undertake approved CSR projects. The Company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality etc. to directly undertake approved CSR projects with the help and support of these bodies.

9. Need and Impact Assessment

CSR activities undertaken should be in the interest of the society and the local population where the Company operates. After one year of completion of CSR project, and if required pursuant to the applicable provisions of the CSR Rules, the company shall conduct an impact assessment of the project so completed and place a report for consideration of the Board. A summary of impact assessment outcome shall be disclosed in the Board's Report.

10. Information dissemination

CSR Policy and activities undertaken shall be disseminated on website if any, for public access and shall be published in the Annual Report of the company in the format prescribed under the Act and CSR Rules.

11. Review

The CSR Committee shall be fully responsible for the monitoring and review of the implementation of this policy in accordance with applicable laws from time to time. The CSR Committee shall provide recommendations as and when it deems necessary to the Board so as to amend/ modify/ revise the CSR Policy.

12. Amendment to the policy:

The Board of Directors on the recommendations of CSR Committee can amend this Policy, as and when deemed fit.

13. Disclosure:

The details of this Policy shall be disclosed in the Annual Report as part of Board's Report therein and the same shall be put up on the Company's website, if any.
