

**STERLITE POWER TRANSMISSION LIMITED**

**POLICY ON CORPORATE SOCIAL RESPONSIBILITY\***

**Owner:**

Corporate Secretarial Department

**Issue Date:**

August 16, 2021

**Version:**

CSR Policy - 2.0

\*The Policy, to the extent they are applicable to an un-listed public company, shall become applicable from the date of its approval by the Committee/Board, as the case may be. Post listing of the equity shares of the Company with the Stock Exchange(s), the policies would become fully applicable to the Company.

## 1. Purpose and Effective Date

Sterlite Power Transmission Limited ('SPTL' or 'the Company') has adopted this Policy on Corporate Social Responsibility (the "Policy") as required under the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with Schedule VII of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

The Company is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

This policy shall apply with effect from the date of approval of this policy by the Board of Directors/Committee.

## 2. Focus Areas

We implement our CSR initiatives in accordance with the CSR Laws and ensure that we go beyond compliance to benefit our communities in the most sustainable manner. CSR is an essential part of our business plan and we consider it our responsibility to address the concerns of our communities.

The Company will focus on the following areas for carrying out its CSR activities, from time to time, as specified under Schedule VII of the Companies Act, 2013 and the Rules made thereunder:-

- i. 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 set-up by the Central Government for rejuvenation of river Ganga;
- ii. Rural development projects;
- iii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- iv. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- v. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government, and
- vi. CSR committee may recommend to the Board of Directors, additional CSR initiatives, based on specific merit, provided that these projects fall under the scope of schedule VII of the Companies Act, 2013, as may be amended from time to time.

We at SPTL through CSR initiatives of the company will remain committed to our duty to improve the lives of individuals and communities in the country.

## 3. Constitution of CSR Committee

In accordance with the provisions of Section 135 of the Act, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") to, *inter-alia*, carry out the following functions:

- (i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy, from time to time, which shall indicate the activities to be undertaken by the Company;

- (ii) Recommend the amount of expenditure to be incurred;
- (iii) Monitor the CSR Policy of the Company from time to time.

#### **4. Composition of the Committee:**

The composition of the Committee is / shall be in compliance with the Act, Rules made there under as amended from time to time.

#### **5. CSR Funds**

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
- any income arising there from.

The Company in every financial year shall ensure that it spends at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of this Policy.

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

Provided further that if the company fails to spend such amount, the Board of Directors shall, in its report made under clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Provided further that if the Company spends an amount in excess of the requirements under the provisions of Companies Act, 2013, such excess amount may be set off against the requirement to spend for such number of succeeding financial years and in such manner as prescribed under the Act.

#### **6. CSR Budget and Utilisation:**

The CSR Committee will recommend the budgeted expenditure for CSR activities to the Board for its consideration and approval and shall be utilized on approved projects in accordance with the CSR Policy.

Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. [Pursuant to Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014].

#### **7. Monitoring:**

Company's CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the approved projects.

#### **8. Compliance with the Policy**

It shall be the responsibility of the CSR Committee to ensure compliance with the Policy.

In case of non-compliances, the CSR Committee/Board of Directors shall take appropriate mitigating actions in compliance with prevailing laws.

In case there is any conflict between the provisions of this Policy and the Act or any other Statute/Rule/Regulation, the provisions of the Act or such other Statute/Rule/Regulation shall prevail over this Policy.

This Policy shall be communicated to all employees and other concerned persons of the Company. Further, this Policy shall be uploaded on the website of the Company and website link for the same shall be provided in the Annual Reports of the Company.

**9. Amendments**

The Policy may be reviewed and amended from time to time by the Board based on the recommendation of the CSR Committee.