

CORPORATE SOCIAL RESPONSIBILITY POLICY OF GPT INFRAPROJECTS LIMITED

1. INTRODUCTION

- a. The Corporate Social Responsibility (CSR) Policy of the GPT Infraprojects Limited (GPT) is aligned with its overall commitment to maintaining the highest standards of business performance.
- b. The CSR commitment of GPT positions its social and environmental consciousness as an integral part of its business plan and its commitment to all its stakeholders including consumers, share holders, employees, local communities and the society at large.
- c. The policy has been formulated as *per* the provisions of section 135 of the Companies Act, 2013 (Act) read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rules).

2. POLICY STATEMENT

The CSR Policy of GPT aims to achieve, consolidate and strengthen Good Corporate Governance including socially and environmentally responsible business practices that balance financial profit with social well being.

3. SCOPE AND APPROACH

- a. GPT is committed to the well being of the local communities and the society at large.
- b. The scope and approach of the CSR Policy of GPT is defined by the following considerations:
 - (i) GPT acknowledges that there are or can be **expected** and **unintended** outcomes and impact of its core business which is to manufacture Concrete Sleepers and do Civil Construction.

- (ii) While the overall outcome of its work is a positive contribution to the economy and society at large, some of the impact could be negative in the short term.
- (iii) Given the nature of its work the strongest impact of its activities is primarily on the environment and communities in the immediate vicinity of working activities.

c. The **geographic scope** of GPT's CSR work includes:

- (i) The immediate surroundings of its manufacturing units and Construction Sites.
- (ii) The district, town or city as a whole where its activities are located.
- (iii) The country as whole as part of GPT's contribution to national efforts towards social development of the communities at large.

4. STRATEGIES

The strategies for designing, implementing and monitoring the CSR activities of GPT are based on the existing good practice models in the country, sample activities suggested in the CSR Guidelines as well as the first hand experience of the GPT in implementing its CSR activities over the past years. These strategies will help in standardizing the CSR related processes, essential in the context of GPT which is spread across the country.

5. GOAL

The overall goal is to promote sustainable and inclusive development as a Responsible Corporate Citizen.

6. OBJECTIVES

This goal will be achieved through the following broad Objectives:

- (i) Eradicating extreme hunger and poverty;
- (ii) Promotion of education;
- (iii) Promoting gender equality and empowering women;
- (iv) Reducing child mortality and improving maternal health;
- (v) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- (vi) Ensuring environmental sustainability;
- (vii) Employment enhancing vocational skills;
- (viii) Social business projects;

- (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, the Scheduled Tribes, other backward classes, minorities and women; and
- (x) Such other matters as may be prescribed from time to time by the Act and Rules there under.

7. IMPLEMENTATION MECHANISM

7.1 The Board of Directors shall be responsible for implementation of CSR policy and for the purpose constitute a CSR Committee consisting of such members/director as required by Act & Rules.

7.2 The Board shall be responsible for:-

- a. To ensure that at least 2% of average net profit of last 3 preceding years is spent on CSR activities every year as per the provision of the Act and Rules there under.
- b. To approve the CSR Policy after considering recommendations of CSR Committee.
- c. To disclose CSR policy and initiatives in Board's report and Company's website.
- d. To ensure that activities reflected in CSR policy are actually undertaken by company.
- e. If the company does not spend 2% of net profits as required, then to carry forward the unspent amount for spending the same in the next year and also Board to report the reasons in the Board's report for not spending said CSR budget in full or part.

7.3 The CSR committee shall be responsible for the following:-

- a. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act;
- b. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c. Monitor the CSR Policy of the company from time to time and report to the Board; and
- d. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programme/activities proposed to be undertaken by the company.

7.4 It is proposed that the CSR Programme shall be implemented through a charitable trust namely GOVARDHAN FOUNDATION (Trust) having its principle office at GPT Centre, JC-25, Sector-III, Salt Lake, Kolkata-700098 by creating a “GIL CSR Corpus” in the trust. The Copy of Trust Deed dated 14th October, 2004 is placed herewith.

7.5 In term of sub-rule-2 of rule-4 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rule) :

The Board of a company may decide to undertake its CSR activities approved by the CSR Committee, through a registered (with Income Tax Department) trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the **Act** or otherwise:

Provided that-

- (i) if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
- (ii) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.