

MAHINDRA WORLD CITY DEVELOPERS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Guiding Principle

CSR is the process by which an organisation thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies. Thus, CSR is not charity or mere donations.

CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operation and growth.

2. Background

Mahindra World City Developers Ltd (MWCDL / the Company) over the past several years of its existence has been socially responsible and has voluntarily undertaken various Corporate Social Responsibility initiatives even when there were no legal and statutory requirements in this regard.

As a part of its commitment to CSR initiatives, MWCDL, during the previous year, made available assistance to economically disadvantaged and socially weaker sections of the society in the areas of education, healthcare and environment where it actively involves its employees. Our employees have been encouraged to

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volunteer for various CSR projects in the areas of education, health and environment through **Employee Social Options (ESOPs)**.

3. **CSR Vision Statement and Objective**

3.1 Our mission is „Transforming Urban landscapes by creating sustainable communities“. The path towards transformation calls for building on our strengths to embrace and drive change. In addition to the investments in the current CSR initiatives which are mostly in the areas of education, public health and environment, which also include sustainability initiatives to reduce energy and resource use, we create not only economic value for the business but also provide social benefits for the society and help the communities that live around our project to prosper in all walks of life.

3.2 The objective of this policy is to:

- Promote a unified and strategic approach to CSR to incorporate under one umbrella the philanthropic giving on the one hand and business on the other hand thus enabling maximum impact of the CSR initiatives.
- Ensure an increased commitment at all levels in the organisation, to operate in an economically, socially and environmentally responsible manner while recognising the interests of all its stakeholders.
- Encourage employees to participate actively in the Company“s CSR and give back to the society in an organised manner through the employee volunteering programme called ESOPs.

4. **Scope and Applicability**

This policy shall be applicable to MWCDL and shall be effective from 1st April, 2014.

5. **Policy Statement**

5.1. **Core Ideology**

For MWCDL, responsible business practices include being responsible for our business processes, products; and engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances but create social and environmental value while supporting the company's business objectives and reducing operating costs; and at the same time enhancing relationships with key stakeholders and customers. This is clearly articulated in the redefined Core Purpose which reads as "we will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise".

5.2. **Total Outlay**

The Company in every financial year commencing from 1stApril, 2014 in line with the new Companies Act 2013, pledges to spend, atleast 2% of the average net profits made during the three immediately preceding financial years specifically towards CSR initiatives.

5.3. **Allocation of Resources & Thrust Areas**

The CSR Committee of the Board of the Company will manage 2% of the average net profits made during the three immediately preceding financial years to undertake CSR initiatives which meet the needs of the local communities where we operate.

MWCDL may make contributions to the corporate foundations/Trusts i.e. K C Mahindra Education and Mahindra Foundation, either towards its corpus or directly for its projects some of which are scholarships and grants, education for the under privileged girl child, vocational and livelihood training of youth,

relief to the poor, education and encouragement of healthy sports and physical fitness, medical relief and family planning and disaster relief and rehabilitation, or both.

Our commitment to CSR will be manifested by investing resources in any of the following areas:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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;
- 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;
- Measures for the benefits of armed veterans, war widows and their dependents;
- Training to promoter rural sports, nationally recognised sports, Paralympics sports and Olympic sports;

- 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 Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects

The Company shall give preference to the local area and area around it where it operates for spending the amounts earmarked for CSR activities.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the company.

5.4. **Implementation**

MWCDL has constituted a CSR Committee of the Board consisting of 3 directors with one CSR Committee member as an Independent Director.

The mandate of the said CSR Committee shall be:

- To formulate and recommend a CSR policy to the Board to recommend amount of expenditure to be incurred on CSR activities;
- To monitor the CSR policy of the Company from time to time.

Upon the approval by the Board of the recommendations made by the CSR Committee, the CSR Policy shall be put up on the website of the Company and shall be disclosed in the Board's report to the Shareholders. The Board will ensure that the activities included in the CSR policy are undertaken by the Company and ensure that the Company spends, in every financial year at least two percent of the average net profits of the Company made during three immediately preceding financial years and ensure that the Company gives preference to the local area and areas around it where it operates, for spending

the amount earmarked for CSR activities. In case the Company fails to spend such amount, the Board's report shall specify the reasons for not spending the amount.

A formal process of approving projects that the Company will support will be put into place with each project being vetted by the CSR Committee.

While CSR programmes may be identified by the CSR Committee and Company's CSR team, the CSR Committee will also evaluate projects submitted directly by reputed not for profit organisations having an established track record of at least three years in carrying on the specific activity. To ensure that there is focus and maximum impact, the CSR Committee will endeavour to work on fewer projects over a longer period of time so as to ensure that the outcomes of the projects can be measured. All CSR project proposals will need to be submitted at the beginning of each financial year.

The CSR Committee will convene half yearly meetings to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The CSR Committee will review the strategy from time to time and may choose new focus areas and projects as and when required.

In order to ensure transparency and communication with all stakeholders, the CSR Committee will document the details of the Company's CSR initiatives and CSR expenditure and ensure that the same are available in the public domain i.e. the Directors' Report of the Company's Annual report and on the Company's website.

Further employee participation in CSR projects will be encouraged and supported through the ESOPs platform.

5.5. Executing Agency/Partners

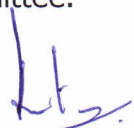
CSR initiatives will be undertaken by the local CSR Teams of Company or CSR consultants with the active involvement of employees under ESOPs which is the employees volunteering program or through partnerships with Corporate Foundations namely the Mahindra Foundation, The K C Mahindra Education Trust or through partnerships with other Not For Profit Organizations having an established track record of at least three years in carrying on the specific activity.

The CSR activities may also be undertaken by Company through their own or holding or subsidiary or associate company's registered society or trust or Section 8 company. The CSR activities may also be undertaken in collaboration with other companies where such collaborating companies are in a position to report separately as per the reporting requirements under the Companies Act, 2013 and Rules thereunder.

The following minimum criteria will be ensured while selecting NGO/voluntary organizations for programme execution:

- The NGO is a registered Society / Public Charitable Trust
- The NGO has a permanent office / address in India
- The NGO has a valid Income Tax Exemption Certificate
- The NGO has submitted a detailed project proposal and budget which has been approved by the CSR Committee.

Any modifications / changes to this Policy shall be made only with the approval of the Board of Directors of the Company on the basis of recommendation made by the CSR Committee.



Anita Arjundas
Director