

TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

(“AP TRANSCO”)

CIN: U31909AP1998SGC107226

Corporate Social Responsibility (“CSR”) Policy

Version 2.0

Effective Date	-	May 04, 2015
Last Review Date	-	May 04, 2015
Reviewed by	-	CSR Committee
Approved by	-	Board of Directors

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Short Title and commencement:

The Board of AP TRANSCO, in its 103rd Meeting, approved the Corporate Social Responsibility Policy and constituted the Corporate Social Responsibility Committee with a view to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred, and to monitor the CSR Policy from time to time. This policy shall be called as “Corporate Social Responsibility Policy” and came into effect from May 04, 2015. Now the Policy is reviewed and amended in the 164th Board Meeting held on July 04, 2025. The amended Version 2.0 of CSR Policy of AP TRANSCO will come into effect from July 04, 2025.

Purpose:

AP TRANSCO is deeply committed to contribute meaningfully to the well-being of the community, actively pursuing social, economic, and environmental enhancements. We firmly believe that our efforts will empower those who need them most, and we are dedicated to building collaborative partnerships with all stakeholders to achieve shared prosperity and mutual benefits.

Definitions:

Act	Companies Act, 2013, as amended and modified from time to time;
Board	Board of Directors of the Company;
Circular	Means the General Circular No. 21/2014 w.r.t. Clarification with regard to provisions of Corporate Social Responsibility
Company	Transmission Corporation of Andhra Pradesh Limited (“AP TRANSCO”);
CSR	Corporate Social Responsibility;
CSR Committee	The Committee constituted by the Board in accordance with this Policy and Act, from time to time;
CSR Policy	The CSR Policy of the Company, as amended from time to time;
MCA	The Ministry of Corporate Affairs;
Notification	Means the MCA Notification dated 27 th February 2014
Rules	Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time;
Net Profit	Shall have the meaning ascribed to in Act and Rules;
Version 1.0	Means the CSR Policy version approved by the Board in the 103 rd Meeting held on May 04, 2015
Version 2.0	Means the CSR Policy version approved by the Board in the 164 th Meeting held on July 04, 2025

Words and expressions used and not defined in this policy and Rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

This Policy has been formulated under the provisions of the Act, Rules, Circular, Notification, as applicable and shall be applicable to all CSR projects / programmes / activities / initiatives undertaken by the Company, for the benefit of different segments of society.

Objectives:

As a responsible corporate citizen, our key areas of focus are to promote community health and well-being, to support local economic development, rural development by laying roads and building community halls etc. We also undertake community-centric activities in the areas of disaster relief, environment and tribal welfare.

In terms of the CSR Rules issued by MCA, AP TRANSCO will also focus on undertaking the projects / programmes / activities / initiatives listed below, as specified in Schedule VII of the Act, excluding activities undertaken in pursuance of normal course of business of a company:

- i. 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;
- 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 including contribution to the Clean Ganga Fund set-up 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 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. contribution to the 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

- ix. (a) 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; and
- (b) 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);
- x. rural development projects;
- xi. slum area development;
- xii. disaster management, including relief, rehabilitation and reconstruction activities

CSR Committee:

The CSR Committee shall at any time have not less than 3 Directors, as members and out of which at least 1 director shall be an Independent Director. The Committee shall meet, whenever required, to discuss, review and recommend CSR activities and Policy. Quorum for the meetings shall be one-third or 2 members, whichever is higher. The Committee members may attend the meeting(s) physically or virtually via audio-visual means as permitted under the Act. The Committee shall have the authority to invite such employee(s), Senior Officer(s) or external experts, as it deem fit, to attend the Committee meeting(s). The Company Secretary of the Company shall act as convenor / secretary to the meeting(s).

The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects / programs / activities / initiatives undertaken by the Company. The Committee shall also recommend the amount of expenditure to be incurred on the activities and monitor the CSR Policy from time to time. The CSR Committee shall endeavor to arrive at all decisions via consensus of all members. However, on occurrence of any event where the CSR Committee is unable to arrive at a consensus, the decision of the Chairman of the CSR Committee shall be final. All decisions of the Committee shall be ratified by the Board.

Terms of Reference of CSR Committee:

The CSR Committee shall undertake the following functions:

- a) Formulate a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Board from time to time;
- b) Recommend the mechanism for implementation of the CSR projects / programs / activities / initiatives undertaken by the Company;
- c) Recommend the amount of expenditure to be incurred on the CSR projects / programs / activities / initiatives;

- d) Formulate and recommend to the Board, an Annual Action Plan in pursuance to the CSR Policy;
- e) monitor the CSR Policy of the Company from time to time;
- f) To delegate responsibilities to the CSR team and supervise proper execution of all delegated responsibilities; and
- g) To perform such other duties and functions as the Board may require the CSR Committee to undertake.

CSR Expenditure / Spending:

The Committee and the Board shall ensure that the Company spends, in every financial year, at least two percent of the average Net Profits of the Company made during the three immediately preceding financial years, in accordance with Act and Rules framed thereunder.

Any 'Income' or 'Surplus' that may arise from its CSR activities would also be included in the CSR corpus and will not form part of business profits of the Company

Mode of carrying out CSR projects / programs / activities / initiatives:

The Company may carry out the CSR activities either on its own, or through a registered Trust or registered Society or through a Company registered under Section 8 of the Act or through one or more of the modes in such manner as it deems fit, as the CSR Committee and Board deems fit, in accordance with the Act and Rules.

CSR Reporting / Disclosure:

The Board's Report pertaining to a financial year commencing on or after 1st April 2014 shall include an Annual Report on CSR containing particulars specified in the Annexure to the CSR Rules.

If the Company fails to spend such amount, the Board shall, in its Report (i.e., in the Annual Report on CSR) specify the reasons for not spending the amount.

Display of CSR Policy in the website:

The CSR policy shall be disclosed on the website on the Company.

Amendments to the CSR Policy:

The Board shall have the powers to revise / modify / amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee to confirm to the revision / amendment, if any, to be made to the CSR Rules by the MCA, under the Act.
