CORPORATE SOCIAL RESPONSIBILITY POLICY

1. **Background**

Since its inception Mahindra Real Estate Sector, which includes Mahindra Lifespace Developers Ltd and its subsidiaries, has been socially responsible and has gone beyond legal and statutory requirements to make responsible investments in the community. In accordance with Group guidelines issued in 2005, Mahindra Lifespace Developers Ltd and its subsidiaries have invested 1% of their PAT towards CSR initiatives specifically to benefit economically and socially disadvantaged communities. With the belief that the country's social challenges can be best addressed by a focus on education, the company selected 'education' as its main thrust area for CSR. As a responsible corporate citizen the Sector has also invested in other areas like public health and environment. More specifically, some of the major CSR programmes that the Sector has been investing in are appended below:

- **Project Hariyali**. Since 2007 the Company has committed to increase green cover by planting trees every year on an ongoing basis.

- **Project Gyandeep**. In 2012, it was decided to set up a school at all project sites to educate the children of labour. As on date four schools are operational in Nagpur, Jaipur, Delhi and Pune.

- **Vocational Skill Development.** This programme was targeted at the unemployed youth in the villages in or adjoining our World cities at Chennai and Jaipur.

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- **Medical Health Check-up**. Regular medical health check-up camps have been held for the labour at our project sites including their families.

- **Employee Social Options (ESOPs)**. Our employees have been encouraged to volunteer for various CSR projects in the areas of education, health and environment through ESOPs organised by M&M.

- **Disaster Relief and Rehabilitation**. The company has provided consistent and timely support to relief and rehabilitation initiatives in those parts of India which are effected by natural calamities by either contributing to the Prime Minister's or Chief Minister's Relief Fund.

In keeping with the RISE philosophy the Sector will continue to drive positive change to enable people and communities to RISE above their limiting circumstances.

2. **CSR Vision Statement and Objective**

2.1. 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, the CSR vision is to inculcate the principle of creating shared value whereby we create not only economic value for the business but also

provide social benefits for the society. This is reflected in our group's 'Core Purpose' to "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".

2.2. From April 1st, 2014 in line with the new Companies Act 2013, Mahindra Lifespace Developers Limited and its subsidiaries pledge to invest 2% of the average net profits made during the three preceding financial years specifically towards CSR initiatives.

2.3. The objective of this policy is to:

- Promote a unified and strategic approach to CSR across the Sector to incorporate under one umbrella the diverse range of the Company's philanthropic giving on the one hand and 'cause marketing' and projects which create shared value 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.

- Focus on incorporating 'shared value' into the core of the business which will result in creating economic value for the company while also creating value for the society.

- 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.

3. **Scope and Applicability**

This policy shall be applicable to the employees of Mahindra Lifespace Developers Limited and all its subsidiaries.

4. **Policy Statement**

4.1. **Core Ideology**

For Mahindra Lifespace Developers Limited and its subsidiaries 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".

4.2. **Total Outlay**

From April 1st, 2014 in line with the new Companies Act 2013, Mahindra Lifespace Developers Ltd. pledges to invest 2% of the average net profits made during the three preceding financial years specifically towards CSR initiatives.

4.3. Allocation of Resources & Thrust Areas

The CSR Council of Mahindra group will manage 1% (i.e. 50% of the 2% average net profits made during the three immediately preceding financial years) while the balance 1% will be managed by the Mahindra Lifespace Developers Limited & its subsidiaries to undertake CSR initiatives which meet the needs of the local communities where we operate.

The Sector 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:

- Promotion of education.
- Promoting gender equality and empowering women.
- Ensuring environmental sustainability.
- Employment enhancing vocational skills.
- Social business projects.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women etc.
- Any other activities that the CSR Committee of the Company may define from time to time.

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

Currently the CSR thrust areas for Mahindra Lifespace Developers Ltd. and its subsidiaries are education, livelihood training and vocational skills, public health and environmental conservation.

4.4. Implementation

The CSR Council chaired by the MD & CEO and comprising senior management executives from all the companies in the Sector will undertake the responsibility of implementing the CSR activities which have been approved by the CSR committee at the board level.

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

While CSR programmes may be identified by the CSR committees at units and Regions; and Corporate CSR team, the CSR Council 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 Council 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 Council will convene quarterly to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The council 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 Council 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.

4.5. **Executing Agency/Partners**

CSR initiatives will be undertaken by the local CSR Committees of Companies or CSR consultants with the active involvement of employees under ESOPs which is the employees volunteering program or through partnerships with our 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 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 Council.

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Member of the Group Executive Board,
MD & CEO -Mahindra Lifespace Developers Limited