

GMR Hyderabad International Airport Limited



Donation Policy





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I. INTRODUCTION

The Board of Directors (the “Board”) of GMR Hyderabad International Airport Limited (“the Company”) adopted the Donation Policy (“the Policy”) of the Company as required in terms of the Board process and Corporate Governance, in its meeting held on November 07 2017.

II. EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board of the Company i.e. November 07, 2017.

III. PURPOSE, OBJECTIVES AND SCOPE

In the context of this policy, ‘donation’ or ‘contribution’ can be made by the Company, by virtue of the provisions of section 181 of the Companies Act, 2013 (“the Act”) only. As per this section, the Board of the Company may contribute to bona fide charitable and other funds (or accredited independent nongovernmental organizations (NGO’s) or not-for-profit organizations / charities or registered Societies or Trusts whether government or semi-government or private, which are well renowned / recognized / established *but not to political parties*). As per prevailing provisions of the Act, prior permission of the company in general meeting shall be required for the said contribution / donation, in case any amount the aggregate of which, in any financial year, exceed five per cent (5%) of its average net profits (i.e. Profits After Tax) for the three (3) immediately preceding financial years.

This policy covers philanthropic and / or non-commercial donations (including but limited for the purpose of cultural / community / sporting activities and the entities / societies belonging to lower socio-economic strata for their amelioration etc) as distinctive contributions to express the Company’s commitment and responsibility towards society in a broader context. Such contributions / donations are part of a long standing Company’s tradition of sharing business success with those who may not be in a position to directly benefit from the Company’s business success. *In contrast, commercial donations and sponsoring activities (being part of the marketing and distribution or the research and development expenses) are not covered by this donation policy.*

All Donations to be paid by the Company must be in line with the objectives of the Donation policy as mentioned hereinabove and must reflect Company’s commitment to operate in an ethical manner. Donations will not be given to organizations that the Company is in legal or financial conflict with or which connects the Company to any political party or group.

Further the Company should ensure that the charitable donations by the Company may only be made where:

- ❖ the donation is made in compliance with the applicable laws;
- ❖ the donation is not made to secure an improper business advantage; and
- ❖ the donation is made to a properly established charity and there is a valid charitable purpose for the donation.

Further the Board of Directors of the Company will approve the overall limit of donation, within which the powers will be delegated to the Managing Director, as long as it meets the requirement of this policy and meets the provisions of the Act.



IV. EVALUATION OF DONATION REQUESTS

Each prospect for donation / contribution to the bona fide Charitable and other funds will be evaluated case by case basis. Some general guidelines include:

The Company prefers to support projects with the following characteristics:

- Company's involvement makes a real difference
- Company is actively engaged in the development of the project at an early stage and not solely as a source of funds
- Projects that are driven by locally established organisations with endorsement from the local authorities
- Preference shall always be given to such entities which are situated in the nearby areas of the Company or any of its branch offices / administrative offices / regional offices / representative offices elsewhere
- Preferably donations to the entities, if the contributions are eligible for tax benefits under 80G and / or other applicable provisions of the Income Tax Act, 1961.

The Company shall not consider to:

- Illegal or unethical proposals
- Mass mailings, unsigned requests (without any supporting documents)
- Projects with clear political or commercial background or purpose
- Requests from or to benefit single individuals

The Company shall ensure that any donation proposal should be compatible with the Company's values and beliefs, code of conducts and ethical policies.

V. PROCEDURE FOR RECEIVING THE DONATION PROPOSAL AND PROCESSING THE SAME

Proposals for donations requests shall be received at the Corporate / Registered Office of the Company (Addressed to the Chief Executive Officer (CEO) of the Company). CEO shall assess the proposal (to be recommended to the CEO by a Committee Comprises of CFO, Head Legal and the Company Secretary) and shall ensure that the proposal has Managing Director's concurrence, before being put up to the Board of Directors of the Company for their consideration / approval / recommendation to the shareholders (as the case may be as per the Act).

VI. GOVERNANCE

The Board of directors of the Company shall have overall responsibility for ensuring this policy.

VII. AMENDMENT

The Policy shall automatically stand modified to cover revision(s) / amendment(s) in accordance with the applicable laws and regulations in force from time to time. Notwithstanding anything contained anywhere, the Board reserves its right to alter / modify / add / delete or amend any of the provisions of this policy.



This Policy was originally reviewed and approved by the Board of Directors on 07-11-2017.

S. No.	Reviewed By	Review Date	Approved By	Approved Date
1.	Board of Directors	07-11-2017	Board of Directors	07-11-2017