

TATA POWER TRADING COMPANY LTD
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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1.0 Preamble

TATA Power Trading Company Ltd. (TPTCL) is 100% subsidiary of TATA Power and is govern by the guiding principles and values of Tata Group.

Tata Power's founder, Mr. Jamsetji Tata, who once said *"in a free enterprise, the community is not just another stakeholder in the business but is, in fact, the very purpose of its existence"*.

Tata Power Trading believes in integrating its business values and operations to meet the expectations of its stakeholders. Communities, ranging from those villages around its plants to those employed by its contractors and suppliers, are key stakeholders and Tata Power Trading is committed to ensuring that they benefit from the company's presence in their neighbourhood. Based on the guiding philosophy with which Tata Power approaches its CSR, the CSR vision and mission has been outlined. The Strategic approach and choices that Tata Power Trading is making to achieve its CSR vision has been defined. The choices outline the five key thrust areas where Tata Power Trading will focus its CSR efforts and also the geographical focus in the immediate vicinity of its operations. There will be common alignment of CSR programs across all locations under these 5 Thrust Areas to ensure common focus and synergy in efforts. The company may also consider undertaking or supporting CSR initiatives beyond its geography in alignment to 5 Thrust Areas and Affirmative Action on matters of national importance based on community need and exigencies including natural disasters etc involving stakeholders opinion and evaluative process. Based on this thought process, the Tata Power Trading CSR policy has been framed to drive planning, implementation and evaluation of initiatives and resources.

1.1 CSR Vision

The Tata Power Trading CSR Vision is *"To make Tata Power Trading the Neighbour of Choice of communities and earning the right to co-exist and co-create by working jointly for social well-being and improvement in quality of life"*.

1.2 CSR Mission

The Tata Power Trading CSR Mission is to work with communities in the vicinity of its operations or as specially identified, to gain their acceptance of co-existence under 5 Thrust areas including (i) Education (ii) Health and sanitation (iii) Livelihood & Skill Building (iv) Water (v) Financial Inclusivity.

2.0 Corporate Social Responsibility Policy

Tata Power Trading is committed to ensuring the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR) in alignment with Tata Group Focus Initiatives.

Tata Power Trading shall engage with the community by undertaking the following principles and activities:-

- Consult pro-actively with the community and other key stakeholders for understanding needs and designing initiatives for the social well being of the community.
- Undertake activities as per 5 major thrust areas, which include:-
 1. Education
 2. Health and Sanitation
 3. Livelihood & Skill Building
 4. Financial Inclusivity
 5. Water (Drinking and Irrigation)

These thrust areas are mapped with the activities as suggested in the Schedule VII of the Companies Act.

- Facilitate assistance during natural disasters, *as appropriate*.
- Build and strengthen community institutions and stakeholder engagement.
- Collaborate with Tata Group of Companies, Tata Trust, Other Corporate entities, Civil Society, Industry Associations and Government institutions etc.
- Encourage its employees for volunteering (**ARPAN**).
- Undertake CSR initiatives with the aim that over time these become self-sustainable.
- Engage with disadvantaged sections of the community as per Affirmative Action Policy.
- The CSR Committee of the Board will Monitor, Review and Evaluate CSR initiatives and expenses on a periodic basis as per the calculation of 2% of net profit based on financial statement and report and ensure that surplus, if any arising from CSR programs would not be utilized by the company for normal course of business.
- Communicate the CSR activities to stakeholders as per the regulatory requirement.

Sd/-

Date: 22.10.2019

Sanjeev Mehra
Managing Director

Annexure I

Linkage between Tata Power Trading Corporate Social Responsibility Thrust Areas and Schedule VII

Major Activities Schedule VII	Tata Power Trading Thrust Area				
Schedule VII, Section 135 of Companies Act 2013(Final Notification, 27th February 2014)	Education	Health and Sanitation	Livelihood and Skill Building	Water	Financial Inclusivity
(i) eradicating extreme hunger and poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water					
(ii) promotion of education; including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects					
(iii) promoting gender equality and 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 of quality of soil, air and water.					
(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts;					
(vi) measures for the benefit of armed forces veterans, war widows and their dependents*					
(vii) training to promote rural sports, nationally recognized sports, and Paralympics sports and Olympic sports					
(viii) 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 welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;					
(ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government*					
(x) rural development projects					

***Will be decided by the CSR Committee/ Board on case to case basis.**

Note- Key Community Initiatives and Geography are given in Annexure II & Annexure VI respectively

Annexure II: CSR Programs/Interventions along with Outcome Indicators

The CSR Programs/Interventions along-with modality and schedule are given below:

Thrust Areas	CSR Program/Interventions	Reference Sr. No. Of Schedule VII	Implementation Schedule			
			Q1	Q2	Q3	Q4
Education	Digital Learning-(E-VIDYA)	ii, iv	•	•	•	•
	Teacher Training (SHIKSHA SAARTHI)	I, iv	•	•	•	•
	Academic Coaching (VIDYASAGAR)	I, iv,	•	•	•	•
	Stakeholders Sensitization (PARICHAY)	I, iv, vii	•	•	•	•
Health and Sanitation	Behavioural Change Communication on Health and Sanitation (SAMMAAN)	i	•	•	•	•
	Integrated Community Health (MAMTA)	i	•	•	•	•
	Primary Health Services access(AROGYA)	I		•	•	•
	Capacity building of stakeholders and service providers(SAMBAL)	I	•	•	•	•
Livelihood and Skill Building	Livelihood (Farm and Non Farm) for Farmers and Fishermen(SAMRIDDI)	ii, iii, iv	•	•	•	•
	Skill Building for Youth and Women(DAKSH/ABHA)	I, iii, iv	•	•	•	•
	Micro-enterprise for Youth and Women (UDYAMEE)	ii, iii, iv	•	•	•	•
	Traditional Handicraft and Garment Making – (DHAAGA)	V	•	•	•	•
Water	Integrated Water Resource Management (AMRUTDHARA)	iv, x	•	•	•	•
	Drinking Water (SWAJAL)	i	•	•	•	•
Financial Inclusivity	Convergence with various state and central government schemes (ADHIKAAR)	I, ii, iii	•	•	•	•

Tata Power Trading would implement its CSR Programs/Interventions through Tata Power Community Development Trust or in collaboration with Tata Power Delhi Distribution Limited which would engage with organizations of repute in implementation or directly based on the nature of programs and geography.

Key Outcome Indicators

Focus Area	Key Performance Indicators
Education	% increase in Academic Performance in English, Maths, Science
	Boy Girl Ratio, Enrolment, Dropout %
Health and Sanitation	% improvement in Household Level access to sanitation at village level
	% reduction in footfall/morbidity rate
Livelihood and Skill Building	% increase in income level post training(youth/women)
	% trained youth placed
	% increase in Agri yield/ income
	% increase in income level at Household level
Water	% coverage of households under safe drinking water at village level
	% increase in ground water level and water availability round the year(months)
Financial Inclusivity	No of beneficiaries covered under all Govt Schemes
	Financial Resources Claimed by Eligible Community under Govt Schemes

Annexure III

Monitoring, Review and Evaluation

There are 3 levels of Monitoring and Review undertaken for CSR Initiatives:-

Level 1: Local reviews; dissemination of MIS and exception reports by Execution teams and by the Corporate Social Responsibility team respectively.

Level 2: Senior Leaders review on the progress, effectiveness; action plans and support required.

Level 3: Board committee on CSR Review on quarterly basis.

There are two kinds of evaluation undertaken:-

- **Internal Evaluation** - CR Team using Community Engagement Index and other tools on annual basis to assess the outcome.
- **External Evaluation** - It is also undertaken with reputed academic institutions/industry association/consultant/market research agencies once in 3 years to assess the overall impact on community.

Besides evaluation, the basis for engaging with community is, undertaking thorough socio-economic baselines studies to assess the community needs and priorities and align the community development programs, to meet the objectives. All divisions have to undertake baseline studies prior to developing programs and implementing programs within a defined geography in vicinity of operations (5-10 kms radius) in a phased manner.

Note- CSR Committee from time to time will further apprise the Tata Power Trading Board.

Budget : The Budget would be based on at least 2% of average net profit of previous 3 years or as may be amended under law

Annexure IV

Tata Power Trading - CSR Committee Composition

A Committee of Board of Directors has of been formed in pursuance of the said section. The current composition of CSR Committee Tata Power Trading comprises of 3 Directors is as under:

1. Ajay Kapoor(Chairman)
2. Mr Sanjeev Mehra (Managing Director)
3. Ms Kiran Gupta (Director)

* the composition of CSR Committee may be changed by the Board as and when required.

Annexure V

Reporting Framework

1.	2.	3.	4.	5.	6.	7.	8.
S No	CSR project/activity	Sector	Project/programme 1. Local area/others 2. State district	Amount outlay (budget) project/programme wise	Amount spent by project/programme: 1. Direct 2. Over-heads	Cumulative spend up to reporting period	Amount spent direct/through implementing agency*
1.							
2.							
3.							

* Give details of implementing agency

Note: In case of a multi-company collaboration on CSR, each company will need to report separately on such projects or programmes

1. Outline of the Company's CSR Policy – overview of activities to be undertaken and weblink to Policy and projects or programmes.
2. Composition of the CSR Committee.
3. Average net profit for the past 3 financial years.
4. Prescribed CSR Expenditure i.e. 2% of 3 above.
5. Financial year spend:
 1. Total to be spent.
 2. Amount unspent if any
 3. Details of spend in table
6. In case of underspend, reasons.
7. Responsibility statement of CSR Committee that policy, implementation and monitoring complies with the CSR objectives in letter and spirit.
8. Signature of CEO/MD/Director.

Annexure VI: Geography

1. The Company will prefer to discharge its CSR obligations in the vicinity of company's offices and installations. The focus of the Company would be to take CSR initiatives in the communities, ranging from those villages/towns/cities around its offices in Noida/Delhi/NCR Region.
2. The Company's initiatives will be aligned to the Tata Power (Holding Company's) CSR thrust areas.
3. TPTCL is committed to ensuring that they benefit from the company's presence in their neighbourhood

The Corporate Social Responsibility Composition of TPTCL w.e.f. 20.01.2020 is as under:

1. Mr. Ajay Kapoor - Chairman
2. Mr. Sanjay Banga
3. Ms. Kiran Gupta