

## **TSPDL CORPORATE SOCIAL RESPONSIBILITY POLICY: 2018-19**

### **Tata Group Core Purpose:**

To improve the quality of life of the communities we serve through long term stakeholder value creation.

### **Our Philosophy:**

Our Corporate Social Responsibility (CSR) activities will be designed to:

- Create a significant and sustained impact on the society and the communities where we operate.
- Provide opportunities for our employees to contribute to these efforts through volunteering and engagement.
- Provide our workforce with a larger purpose beyond the economic activity of the Company that will bring greater meaning and fulfillment to their work and life.

### **TSPDL Focus Areas:**

TSPDL focuses on lower income groups with particular emphasis on women & children. Preference would be given to communities in the geographies where we operate and to Scheduled Castes and Scheduled Tribes. *TSPDL will also keep focus for betterment of persons with disability.*

### **Approach:**

- **Identification of Key Communities** - TSPDL would specifically identify the target beneficiaries or key communities who are targeted to be served through its CSR initiatives.
- **Need Identification** - The Company would engage with and identify the needs of the target communities, based on which relevant initiatives would be planned.
- **Affirmative Action (AA) Focus** - The Company would design targeted interventions for Scheduled Castes and Scheduled Tribes in the areas of Education, Employability, Employment, Entrepreneurship and *Essential Amenities*. For TSPDL, priority would be given to promoting "Employability".
- **Annual Plan** - The Company would prepare an Annual Community Development Plan along with relevant timelines, budget and modalities for implementation, which would be aligned with Schedule VII of the Companies Act, 2013.
- **Partnerships** – The Company would collaborate with partners, as necessary, who would bring in complementary resources, expertise and influence that would strengthen the company's CSR initiatives.
- **Training** – The Company would train its CSR personnel from time to time or as required for improving their CSR capabilities.
- **Building Awareness** – The Company would create consciousness among employees, suppliers, contractors, customers and the community at large through a process of continuous dialogue, initiatives and collaboration.

- **Sustainable Development Goals** – The Company would also focus on the Sustainable Development Goals as declared by the United Nations.

### **Delivery Mechanism:**

- TSPDL would implement its CSR initiatives both through direct interventions as well as in collaboration with its suitably qualified partners.

- **Direct Intervention:**

The Company will constitute Unit Committees in each operating unit. The Unit Committees will develop the Annual Community Development Plan with timelines, budget and modalities for implementation for the respective operating units based on the relevant opportunities in the region, keeping in mind the TSPDL Focus Areas. They will also encourage volunteerism in their units and mobilize adequate number of volunteers to implement the planned activities.

The Company shall also nominate a CSR/AA Champion at each operating unit, who, in coordination with the Unit Committees, will oversee the day-to-day management and implementation of the CSR activities.

- **Partnerships:**

The Company might partner with other Tata Group companies and like-minded corporate organizations, funding agencies, governmental and non-government organizations, to further its CSR objectives, based on the following selection criteria:

- Must be registered as an NGO/Society/Trust as per Government legislations
- Minimum of 3 years satisfactory track record
- Financial credibility as per audited annual records
- Non-political identity
- Objectives aligned with our initiatives
- Access to, and credibility with the target community
- Adequate infrastructure and team for effective execution of initiatives
- Effectiveness of resource utilization, i.e. how much of fund reach the beneficiaries

- The Company would provide resources in a phased manner to implement the planned activities, as and when required, and as linked with progress of the project

Note: Any surpluses arising out of CSR projects or programs or activities shall not form a part of the business profits of a company.

### **Evaluation & Improvement:**

The Company would endeavour to improve its processes with continuous evaluations through the following mechanisms:

- Taking periodic feedback from stakeholders and target communities
- Adopting Best Practices of other companies, from within the Tata Group and outside
- Sharing its learnings and experience across its units
- Conducting an audit of all CSR activities, as implemented, by a third party

## **Governance Structure:**

TSPDL would have a CSR Committee of the Board, as required under Section 135 of the Companies Act, 2013. The Committee would have at least three Non-Executive Directors, one of whom would be the Chairman of the Committee.

As on the date of adoption of this Policy, Board will have its CSR Committee as required.

The Committee would have oversight on the CSR activities of the company. It would also recommend the CSR Policy of the Company pertaining to each financial year to the Board for adoption.

An Apex CSR Steering Committee chaired by the Managing Director and comprising the senior management team of TSPDL, the Unit Committees and the CSR/AA Champions will do a quarterly review of the activities and monitor achievements against targets set at the beginning of the year.

TSPDL would adhere to the requirements of Section 135 of the Companies Act, 2013, Schedule VII thereto and any other rules, regulations or guidelines, as may be prescribed from time to time in this regard.

For the Financial Year 2017-18, TSPDL's CSR activities, including its AA Initiatives would be targeted towards the following areas:

- Malnutrition, preventive health care & sanitation, safe drinking water.
- Promoting education, infrastructural support to schools, providing scholarships
- Promoting employment-enhancing vocation skills, employability initiatives
- Empowering women
- Ensuring environmental sustainability
- Training to promote rural sports
- Rural development projects

The Annual Community Development Plan for the current financial year, in line with the above, is designed as per the requirements of the Companies Act, 2013.

## **Review of CSR Activities:**

The CSR Committee would discuss, review and recommend the CSR Policy to the Board for approval. The CSR Committee would meet ordinarily once in every quarter, or at such other intervals as the Board may deem appropriate, to review the progress of the activities undertaken in the Annual Community Development Plan.

The Apex CSR Steering Committee would monitor the progress of the Annual Community Development Plan on an ongoing basis and report to the CSR Committee on a quarterly basis or as required by the CSR Committee/Board.

