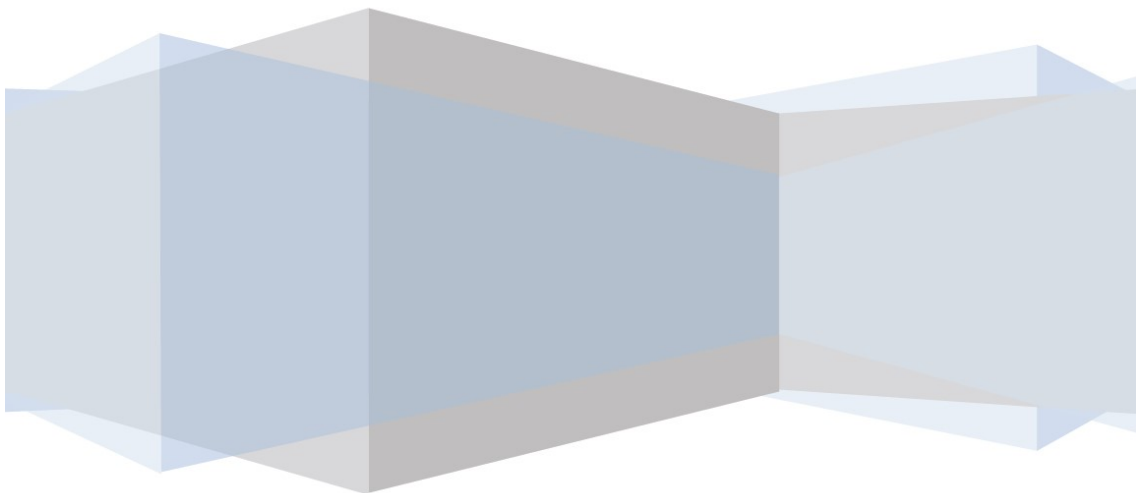


Corporate Social Responsibility Policy

BSES Rajdhani Power Limited, New Delhi



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1. Introduction

- 1.1 BRPL licensed area is dotted with settlements whose residents are deprived of basic infrastructure, hygienic living conditions, employable skills and appropriate earning opportunities. As a responsible corporate citizen, BRPL aims to address such problems through its CSR activities and thus make a difference in the lives of these underprivileged citizens, who also happen to be its customers as consumer of electricity. The business philosophy for BRPL originates from the guiding philosophy of the Group Chairman, who has “always sought to help build more capable and vibrant communities by managing our businesses in a manner that is socially responsible and environmentally sustainable.”
- 1.2 The CSR policy of BRPL has been framed to dovetail with the charter of the Corporate Social Responsibility of the ADA group, which states, “We are committed to augment the overall economic and social development of local communities by discharging our social responsibilities in a sustainable manner.”
- 1.3 This policy will cover the CSR initiatives, activities, projects and programs to be undertaken by BRPL for the benefit of needy and underprivileged segments of the society.
- 1.4 This policy has been framed in consonance with the Corporate Social Responsibility (Policy) Rules 2014 under the Section 135 of the new Companies Act 2013. The financial component/budgetary spend on CSR and Sustainability will be based on the profitability of the company and shall be determined by the Net Profit of the company in the previous three years.

1.5 CSR Vision, Mission and Objectives

- 1.5.1 The CSR vision of BRPL derives its essence from the following Group CSR Corporate Vision, which aims to realize full potential of millions of Indians.
 - To build a global enterprise for all our stakeholders and a great future for our country

- To give millions of Indians the power to shape their destiny, the means to realize their full potential

1.5.2 CSR Vision of BRPL:

“To emerge as a Socially Responsible Corporate by enabling sustainable socio-economic development of the underprivileged communities in our licensed area.”

1.5.3 CSR Mission of BRPL:

“To deploy and sustain the social endeavours to deliver social good for the earmarked underserved communities through managerial, technical and financial interventions”.

1.5.4 The objectives of this policy are:

- To improve quality of life of underprivileged citizens in our licensed area
- To promote employee volunteerism and further engagement with other key stakeholders
- To promote an image of a socially responsible corporate

2. Thrust Areas for CSR

2.1 Guidelines for Selection of Thrust Areas

BRPL shall follow the following guidelines while selecting the thrust areas for CSR:

- CSR interventions should meet specific needs of local community.
- CSR interventions should entail high degree of participation of local communities.
- CSR interventions should be targeted at development as against relief or emergency support.
- Outcomes resulting from CSR activities should be sustainable after the completion of the CSR program.

2.1.5 The interventions should be aligned and integrated to the core business.

2.2 Thrust Areas

2.2.1 Based on the guidelines prescribed above, the following thrust areas have been identified for CSR out of the high-level areas of engagement identified under CSR Framework of the Group :

- i. Skill development and Education / Literacy programme
- ii. Sanitation
- iii. Health care/Medical services
- iv. Promoting Energy Conservation
- v. Miscellaneous

2.3 Thrust areas listed above are not exhaustive. Other areas that fulfill the selection guidelines laid out above may also be included provided they help in achieving the CSR objectives and are in accordance with Schedule VII of the Companies Act, 2013.

2.4 Brief Description of Thrust Areas

2.4.1 Skill development and Education / Literacy programme: These initiatives will improve employability of the youth / women/ under privileged communities by enhancing the inherent skills of the youth from the local community, by imparting skills required in their neighboring economic hubs and by improving skills required in the industries having high employment opportunities.

These programs will aim at improving English and providing IT knowledge and other suitable non- IT related vocational training to children, youth / women/ under privileged communities in our licensed areas to improve their employability.

2.4.2 **Sanitation:** These projects will help the underprivileged communities to improve hygiene in their area and in aiding in breaking the vicious cycle of poverty

2.4.3 **Health care/Medical Services:** BRPL will use its own medical infrastructure or tie-up with local hospitals to provide free or subsidized medical treatment.

2.4.4 **Promoting Energy Conservation:** Create awareness campaigns to help conserve energy.

2.4.5 **Miscellaneous:** Various CSR projects which are not covered under the above categories will be grouped under this category.

3. Resources

3.1 Allocation of funds

3.1.1 BRPL will spend at least 2% of its three-year net profit every year on CSR.

3.1.2 Any unspent/ un-utilized CSR allocation of a particular year will be treated in compliance with notifications/guidelines from time to time from Ministry of Corporate Affairs.

3.1.3 Surplus arising out of CSR project or programmes or activities undertaken by BRPL shall not form part of the business profit of the company.

3.2 Overall budget distribution for CSR

3.2.1 Annual CSR Budget will be allocated under the following major budgetary heads:

S No.	Budget Head	Indicative Fund Allocation
1	Developmental projects in any of the earmarked thrust areas	75%
2	Contribution for Natural calamities and disaster at local or National level through contribution to the Prime Minister's National Relief Fund or any other fund set up for such eventualities / calamities	10%
3	Need identification and impact assessment studies	10%
4	Capacity building initiatives for employees	5%

- 3.2.2 The distribution of expenditure among the thrust areas will depend upon the need identification studies/surveys and specific requirement of the programs. However, the following table provides an indicative allocation of funds for the identified thrust areas:

S No.	Thrust Areas	% Fund Allocation
1	Skill development and promoting literacy	40%
2	Sanitation	15%
3	Health care/Medical facility	10%
4	Awareness on Energy Conservation	20%
5	Miscellaneous	15%

4. Planning and Implementation

- 4.1 The target areas for CSR activities will be urban slum, urban and rural villages, unauthorized colonies, low-income resettlements and JJ clusters located in the licensed area of the company in South and West Delhi.
- 4.2 As it is not feasible for BRPL to undertake CSR activities in all the target areas simultaneously, CSR will be prioritized on the basis of the on-ground need assessment and further the following criteria:
- Activities that contribute to the growth of the society.
 - Proximity to other under-privileged communities
 - Feasibility of ground level Implementation.
 - Partnering NGOs to attain our CSR objectives.
- 4.3 Distinct entry-level activities shall be planned to develop rapport with the communities.
- 4.4 The thrust areas shall be undertaken in an integrated manner to ensure sustained integrated development in the earmarked communities.
- 4.5 Sustainability of program objectives after completion of CSR intervention shall be factored in while selecting and designing CSR activities.
- 4.6 BRPL CSR program shall frame the mandate and partner to create desired social good. All planning and implementation of the CSR activities shall be

undertaken by specialized agencies like NGOs/ Voluntary Organizations/ Self-Help Groups/ Government /Semi Government/ Autonomous Organizations/Professional Consultancies.

4.7 BRPL will enter into a 'Standard Model' agreement with external agencies.

4.8 The duration of a program shall depend on its nature, extent of coverage and objectives. Based on the duration, programs are to be classified as:

- i. Short-term (6 months-1 year)
- ii. Medium-term (1 year-3 years)
- iii. Long-term (3 years and above)

4.9 A project concept note shall be prepared prior to the launch of a CSR program. The project note will typically cover brief outline on the targeted community, need assessment, project objective, linkages with the CSR objectives, scope, project implementation mechanism, deliverables and outcomes, organization and human resources plan, institutional tie-ups, capital and operational budgets, monitoring and evaluation mechanism and implementation schedule.

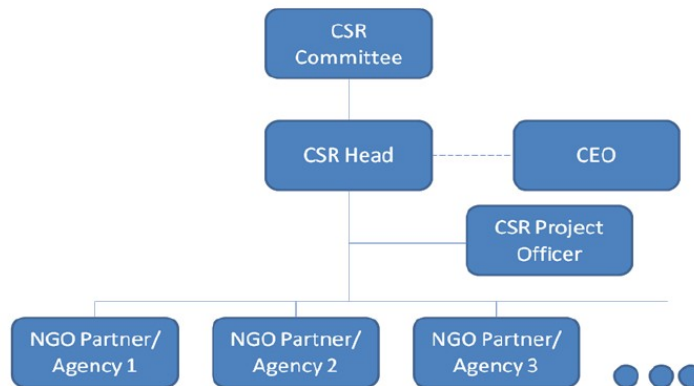
4.10 Partnerships shall be established for furthering the mandate of the Local Administration, and State and Central Government departments on CSR programs.

4.11 Best efforts by way of skill transfer, creation of self-help groups, strengthening of local institutions, etc. shall be inbuilt for the purpose of the sustenance of the program and its developmental objectives

4.12 Sensitizing BRPL employees about CSR and inculcate active participation is also part of CSR mandate.

5. CSR Governance Structure

The CSR head will report on an operational level to the CEO, a 3-tier structure shall be followed to manage CSR program in the company:



5.1 CSR Committee

CSR Committee is the apex level entity for the CSR program. This committee shall comprise of three or more Directors including at least one Independent Director as per the provisions of the Companies Act 2013. The roles and responsibilities of this committee are:

- i. Ensuring proper implementation of the CSR policy
- ii. Approval of CSR Roadmap and Annual Operating Plan
- iii. Approval of the CSR plan presented by the CSR Head
- iv. Approval of project proposals of long-term CSR programs
- v. Review of the progress and its feedback on a quarterly basis
- vi. Change/amendment in the CSR policy

5.2 CSR Head

5.2.1 The CSR Head shall be selected from the Senior Management cadre.

The selected person should have passion to drive the program. The roles and responsibilities of the CSR Head are:

- i. Implementation of the CSR policy.

- ii. Preparation of CSR roadmap for five years and seeking its approval from the CSR Committee.
- iii. Preparation of CSR Annual Operating Plan which is divided into quarters with clear deliverables on output and budgetary allocations and seeking its approval from the CSR Committee.
- iv. Identification and selection of External Agencies/NGOs for implementation of CSR programs.
- v. Approval of project reports of short and medium term CSR programs.
- vi. Utilization of the Budget approved for CSR programs. However, an approval shall be sought by the CSR Head from the CEO of the company prior to award of any order to any outside party.
- vii. Monitoring implementation of CSR programs.
- viii. Reporting progress of the CSR programs to the Head Group-CSR Committee on a monthly basis.
- ix. Reporting progress of the CSR programs to the CSR Committee on a quarterly basis and on an operational level to the CEO.
- x. Conduct statutory audit of all CSR initiatives undertaken during the financial year.
- xi. Presentation of information to the Company Secretary for publication in the Annual Report.

5.3 CSR Project Officer

5.3.1 The CSR Head shall be assisted by CSR Project Officer.

5.3.2 Supervise the implementation of the projects on a periodic basis.

5.3.3 Develop/ revisit a database of volunteers, their skills and areas of interest.

5.3.4 Develop/ revisit a database of external agencies/NGOs.

5.3.5 Provide all support to the external agencies/NGO who is partnering the organization for CSR implementation.

5.3.6 Prepare monthly activity report for submission to CSR-Head.

5.3.7 While selecting Project Officer, preference will be given to those employees who volunteer to undertake additional responsibility of CSR because of their passion for such work.

6. Criterion for identifying external agency/NGOs

6.1 External agencies/NGOs to execute the CSR projects shall be selected by the CSR Head using the following criteria:

- i. Presence of a Regional/permanent office in Delhi. Has a prior experience of working in the earmarked area.
- ii. Registration as a society, Trust or Section 8 Company
- iii. Possession of a valid Income-tax Exemption certificate
- iv. Willingness to customize the program to align with the CSR thrust areas and objectives of the company
- v. Proven track record of minimum 3 years in the proposed area

7. General

7.1 The CSR policy shall be modified if there are any relevant changes in the Companies Act.

7.2 The Company has every right to add, amend or delete any of the rules mentioned in the policy.

7.3 Any modifications in the policy are to be approved by the CSR Committee.

7.4 BRPL may also partner with other companies or consortium of companies to implement the social projects.