



## PPN CSR Policy

### 1. Title and Applicability

PPN Power Generating Company Private Limited ('Company') has developed its Corporate Social Responsibility Policy ('Policy') in accordance with section 135 of the Companies Act 2013 and the rules made there under.

### 2. CSR Vision Statement

Company continues to carry out activities under its self-imposed Corporate Social Responsibility. In line with the company's belief that it is demonstrably a world-class organisation, it has set itself standards that are benchmarked globally.

Meeting the aspirations of all stakeholders is the theme and this is amply demonstrated by returns to shareholders, credit ratings, employee happiness and harmony in an entrepreneurial and professional work place, delighting suppliers and service providers by promptly meeting contractual obligations, customer satisfaction, contribution to the community and monitored governance processes.

Employee satisfaction is clearly demonstrated by the stability of our senior management and general low attrition levels. Productivity is evident from the very small, but highly motivated work force.

### 3. CSR Mission Statement

The Company aims to create a meaningful and lasting impact on the communities in remote areas by helping them transcend barriers of socio-economic development.

Nurture the potential of the youth through high quality education and skills development initiatives

### 4. CSR Objectives

- The Company will undertake social projects in designated communities and villages, in a focused manner, for maximum positive impact viz., providing potable quality drinking water to villages, Infrastructure for schools, adoption of primary health centres, appointment of teachers in schools, training of youth, training for local community in various fields, Tsunami relief centre and assistance to local fishermen community.
- In consultation with the local community, the Company will design and effectively implement projects in areas such as local culture and heritage, healthcare, rural development, education and vocational training.
- Promote preventive healthcare in the rural areas, particularly in South India.
- Making quality healthcare accessible and affordable for all.
- Develop and implement the healthcare, education, water and sanitation projects for sustainable socio-economic development of the rural areas.
- Nurture the youth by providing access to education by setting up educational institutions, improving infrastructure of the existing institutes and providing scholarships for deserving students.



## 5. Validity of CSR Policy

The Board may amend the CSR Policy as may be required from time to time on the recommendations of the CSR committee of the Board.

## 6. CSR Programme Areas

- Healthcare, including preventive healthcare, sanitation & safe drinking water and related measures
- Education
- Adoption of villages for overall development
- Providing succour and assistance to destitutes, women, orphans and senior citizens
- RURAL DEVELOPMENT and other Social Welfare and development activities
- Protection and development of cultural and heritage activities
- Assistance to the Fishermen community
- Training of youth in various fields of construction, skill development etc.
- Environment
- Promotion of Arts and Sports

## 7. CSR Budget

- The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediate three preceding financial years.
- The 2 % of the average net profit of the Company for the years 2011-12, 2012-13 and 2013-14, applicable to the financial year 2014-15, is Rs.5.18 crs.
- The Company may collaborate or pool resources with other companies to undertake CSR activities.

## 8. CSR Implementation

- The CSR projects will be implemented in a time-bound manner with clear objectives, plan, targets and robust monitoring and evaluation mechanisms.
- The Company's ongoing CSR projects will be aligned to the Policy. This Policy builds on the learnings and good practices of the CSR projects initiated by the Company.
- The Company has set up a team for implementation of CSR projects. The mode of implementation will include a combination of direct implementation and implementation through trust/foundation/society set up by the Company and partners such as NGOs, business partners, registered societies etc. The Company will select its partners after appropriate due diligence.
- The Managing Director will be authorised to sign Memorandums of Understanding (MOUs)/Agreements with the implementing partners or delegate such authority to designated persons with appropriate control mechanisms put in place.



## 9. CSR Governance Structure

Approval	Board of Directors
Oversight	CSR Committee
Day to Day Implementation	CSR Implementation Team
Thematic Areas	a) Community Development b) Rural Development c) Social Welfare

## 10. The Roles and Responsibilities of the Board:

The Board of Directors of the Company will be responsible for:

- Approval of the CSR Policy of the Company
- Disclosing the content of the Policy in its report and comply with the requirements place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with the CSR Rules
- Ensuring that the social projects included in the Policy are undertaken by the Company
- Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy
- Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects
- Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount

## 11. The Roles and Responsibilities of CSR Committee

### a) Composition of the CSR committee

The composition of the CSR Committee of the Board is as follows:

Sl No.	Name	Designation / Category	CSR Committee
1	Ms. Preetha Reddy	Director	Chair Person
2	Mr. K M Gupta	Director	Member
3	Mr. Deepak Vaidya	Independent Director	Member
4	Mr. G Venkatraman	Independent Director	Member

The Board shall have the power to make any change(s) in the constitution of the Committee.



#### **b) Responsibility of the CSR Committee**

- Formulate and recommend the CSR Policy to the Board for approval. The Committee shall confine the CSR policy to the areas specified in Schedule VII. This would not however affect the various community initiatives that the company has been following, which may not strictly fall within the confines of Schedule VII.
- Monitor the Policy from time to time and recommend changes to the Board.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Institute a transparent monitoring mechanism for ensuring implementation of the CSR initiatives

### **12. The Roles and Responsibilities of CSR Coordinating Team**

#### **a) Composition of the CSR Implementation Team**

The Company's existing CSR implementation team will be the CSR Coordinating Team.

#### **b) Responsibility of the CSR Coordinating Team**

- Act as central coordinating point for the CSR initiatives.
- Plan annual budgets for CSR projects.
- Report to the CSR Committee quarterly on the CSR initiatives.
- Documentation and reporting of all CSR activities of the Company in pursuit of the Companies Act and the CSR Rules.

### **13. Monitoring and Reporting Framework**

#### **a) CSR progress monitoring**

The CSR Coordinating Team will institute a well-defined monitoring and evaluation mechanism to ensure that the projects are within the policy instituted by the CSR Committee. The CSR progress monitoring and the frequency of review is given below:

- |                       |             |
|-----------------------|-------------|
| a) Board of Directors | Half Yearly |
| b) CSR Committee      | Quarterly   |

#### **b) Budget monitoring;**

The Company will establish an accounting system to ensure appropriate accounting of CSR spend.

#### **c) Reporting framework**

- The Company will monitor CSR progress and report to the top management monthly and the CSR Committee quarterly.
- The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.