

Modifications to CSR Policy of RECL w.r.t to CSR Policy of RECTPCL

Below mentioned Clauses of CSR Policy of RECL shall be applicable to CSR Policy of RECTPCL with suitable modifications as listed below

Reference	Existing Clause of CSR Policy of RECL	Proposed Modification to CSR Policy for RECTPCL
<p>Chapter -I Introduction</p> <p>1.2 CSR Policy Statement</p>	<p>The Mission of REC reads as follows:</p> <p>“To facilitate availability of electricity for accelerated growth and for enrichment of quality of life of rural and urban population and to act as a competitive, client friendly and development oriented organization for financing and promoting projects covering Power Generation, Power conservation, Power Transmission and Power Distribution network in the country”.</p>	<p>The Mission of RECTPCL reads as follows:</p> <ul style="list-style-type: none"> • To facilitate smooth and rapid development of transmission and distribution capacity in the country and for accelerated growth of power sector & enrichment of quality of life of all segments of population. • To act as a competitive, client-friendly and development - oriented organization for promoting projects covering power generation, power conservation, power transmission and power distribution network in the country.
<p>Chapter -I Introduction</p> <p>3. Local Area Concept</p>	<p>REC by the very nature of its business has no specific geographical area of commercial operations, may take up CSR activities /projects at any location of their choice within the country. As REC's activities are spread pan India across all the states and union territories with offices strategically located at all major state headquarter scattering to the power sector financing requirements of all the local areas under the jurisdiction of field offices. In the light of such wideto the extent possible.</p>	<p>RECTPCL by the very nature of its business has no specific geographical area of commercial operations, may take up CSR activities /projects at any location of their choice within the country</p>

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<p>Chapter-IV CSR Planning and Institutional Set-up under CSR</p> <p>4.3 Institutional Set up</p>	<p>In line with the Companies Act, 2013, the institutional set-up shall be as follows;</p> <p>4.3.1 A corporate Social Responsibility Committee of the Board (the CSR Committee) shall be constituted consisting of three or more directors, out of which at least one director shall be an independent director who would also be the chairperson of the Committee.</p> <p>4.3.2 Communication strategy: As part of communication strategy the corporation shall strive for a regular dialogue and consultation with key stake holders to ascertain their views and suggestions regarding the CSR activities and sustainability initiatives undertaken by the company. For this purpose, REC shall provide for a format as attached at appendix 1 on CSR tab of REC website which could be used by any of the interested stake holders to make suggestion to express views on CSR and sustainability aspects of the corporation. However, the ultimate decision in the selection and implementation of CSR activities would be that of the board of the corporation.</p>	<p>In line with the Companies Act, 2013, the institutional set-up shall be as follows;</p> <p>4.3.1 A corporate Social Responsibility Committee of the Board (the CSR Committee) shall be constituted consisting of three or more directors of the Company.</p> <p>4.3.2 Communication strategy: As part of community strategy the company shall strive for a regular dialogue and consultation with key stake holders to ascertain their views and suggestion regarding the CSR activities and sustainability initiatives undertaken by the company</p>
<p>Chapter-IV CSR Planning and Institutional Set-up under CSR</p> <p>4.3.4</p>	<p>An officer not less than one rank lower to the Board level shall be nominated to function as the nodal officer for CSR. The designated nodal shall have a team of officials to assist him/her in co-ordination work. The designated nodal officer will regularly submit reports regarding the progress in the implementation of CSR activities to the corporate Social Responsibility Committee of the Board.</p>	<p>An officer not below the rank of DGM shall be nominated to function as the nodal officer for CSR. The designated nodal officer shall have a team of officials to assist him/her in co-ordination work. The designated nodal officer will regularly submit reports regarding the progress in the implementation of CSR activities to the Corporate Social Responsibility Committee of the Board.</p>

<p>Chapter-IV CSR Planning and Institutional Set-up under CSR</p> <p>4.3.5</p>	<p>While Corporate Social Responsibility Committee of the Board and the Designate Nodal Officer's team of officers shall keep an oversight on the whole activities, a two tier organizational structure to steer the CSR projects of the Corporation shall be deployed for screening and recommendation of CSR project Proposals:</p> <p>a) 1st level (junior) committee of officials of DGM/AGM level for screening and recommending various CSR project proposals, as the case may be received from time to time, and,</p> <p>b) 2nd level (senior) committee, headed by an official of the rank not less than one level below the board level, for recommending sanction of financial assistance under CSR, subject to financial concurrence, for approval of Corporate Social Responsibility Committee of the Board.</p>	<p>While Corporate Social Responsibility Committee of the Board and the Designate Nodal Officer's team of officers shall keep an oversight on the whole activities, a Sub Committee constituted by Board shall be deployed for screening and recommendation of CSR project Proposals to Corporate Social Responsibility Committee of the Board</p>
<p>Chapter-IV CSR Planning and Institutional Set-up under CSR</p> <p>4.4 Mechanism of carrying out CSR activities</p>	<p>4.4.6 Generally all activities under the corporate social responsibility function shall be carried out by the company with the support of other agencies and the funds may be released by the company to the concerned agencies. In select cases, the Corporate Social Responsibility activities may be carried out by the REC foundation.</p> <p>4.4.7 Eligible registered trusts/ societies/ other specialized agencies desirous of seeking funding from CSR for specific projects may submit their detailed proposals addressed to CMD,REC along with details of their credential</p>	<p>4.4.6 Generally all activities under the corporate social responsibility function shall be carried out by the company with the support of other agencies and the funds may be released by the company to the concerned agencies.</p> <p>4.4.7 Eligible registered trusts/ societies/ other specialized agencies desirous of seeking funding from CSR for specific projects may submit their detailed proposals addressed to CEO, RECTPCL along with details of</p>

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	<p>(legal status with supporting document, financials, past track record for similar works undertaken , association with other PSUs/Government bodies, etc. if any) and of the project (project objectives , detail of proposed activity along with applicable regulatory approvals / NOC , project locations number of expected beneficiaries , need for the project activity in the proposed location , detailed costing , procurement methodology , sustainability plan , implementation mechanism , time line , milestones based cash flow requirement , expected outcomes and impacts , visibility to REC, parameters to be captured for base line reporting/periodic progress reporting/ outcome reporting , proposed MIS reporting format frequency)projects would be taken for funding by the company , subject to compliance of REC CSR policy , availability of budget specially for the project head ,due diligence of the agency , financial and technical appraisal , fund requirement of on-going projects etc.</p>	<p>their credential (legal status with supporting document, financials, past track record for similar works undertaken , association with other PSUs/Government bodies, etc. if any) and of the project (project objectives , detail of proposed activity along with applicable regulatory approvals / NOC , project locations number of expected beneficiaries , need for the project activity in the proposed location , detailed costing , procurement methodology , sustainability plan , implementation mechanism , time line , milestones based cash flow requirement , expected outcomes and impacts , visibility to REC, parameters to be captured for base line reporting/periodic progress reporting/ outcome reporting , proposed MIS reporting format frequency)projects would be taken for funding by the company , subject to compliance of RECTPCL CSR policy , availability of budget specially for the project head ,due diligence of the agency , financial and technical appraisal , fund requirement of on-going projects etc.</p>
<p>Chapter-V CSR Monitoring, Implementation and Impact assessment</p> <p>5.1 Base line survey & documentations</p>	<p>5.1.1 Before taking up a CSR project, baseline survey/need assessment study may be carried out by the company. The company shall have the flexibility to opt for other methods, including use of its own in-house expertise and resources for need assessment studies</p> <p>5.1.2 The Company may get baseline survey done through their own</p>	<p>5.1.1 Before taking up a CSR project, baseline survey/need assessment study may be carried out by the company. The company shall have the flexibility to opt for other methods, including use of its own in-house expertise and resources of its holding company/ subsidiary company for need assessment studies</p> <p>5.1.2 The Company may get baseline survey done through their own</p>

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	<p>resources, or through some specialized agency, or having accessed reliable data from recognized authoritative secondary sources to assess the needs of the intended beneficiaries for a realistic assessment of the resource inputs required for the expected level of social / economic / environmental impact through the implementation.</p>	<p>resources, or shall refer to base line survey carried out by its holding company/ subsidiary company or through some specialized agency, or having accessed reliable data from recognized authoritative secondary sources to assess the needs of the intended beneficiaries for a realistic assessment of the resource inputs required for the expected level of social / economic /environmental impact through the implementation.</p>
<p>Chapter-V CSR Monitoring, Implementation and Impact assessment 5.2 Monitoring</p>	<p>In terms of the Rules under Companies Act, 2013, the Corporate Social Responsibility Committee of the Board shall institute a transparent monitoring mechanism for implementation of the CSR projects or activities undertaken by the company.</p> <p>As most of the CSR initiatives are taken up by the Company in the chosen areas/locations in Project mode, in association with select specialized agencies and the disbursements of CSR funds for implementing the projects are linked to achievement of prescribed milestones, there is critical need for implementation progress/ monitoring of project from time to time, so as to ensure achievement of project objectives in line with disbursement of grant funds. Monitoring is also essential to assess if the progress is on expected lines in terms of timelines, budgetary expenditure and achievement of physical targets. Monitoring should be done periodically with the help of identified key performance indicators; the periodicity being determined largely by the nature of performance indicators.</p> <p>The Company shall carry out implementation/ monitoring of the CSR Projects in line with Implementation Progress/Monitoring Guidelines for CSR Projects, as noted and approved by the Board.</p>	<p>In terms of the Rules under Companies Act, 2013, the Corporate Social Responsibility Committee of the Board shall institute a transparent monitoring mechanism for implementation of the CSR projects or activities undertaken by the company.</p>

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<p>Chapter-V CSR Monitoring, Implementation and Impact assessment</p> <p>5.3 Implementation, Monitoring & Impact Assessment mechanism</p>	<p>5.3.3 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals. As far as possible CSR proposals shall undergo screening by Committees at different levels which may be constituted by the competent authority.</p>	<p>5.3.3 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals. CSR proposals shall undergo screening by Sub-Committee constituted by the Board.</p>
<p>Chapter-V CSR Monitoring, Implementation and Impact assessment</p> <p>5.3.7</p>	<p>The company may join hands and pool their resources for undertaking projects jointly with other CPSEs/Government agencies for long term mega projects for greater social impact for scaling up the projects in terms of their size and socio-economic impact, with optimal utilization of resources of each participating entity, and also accelerate the pace of development, including in the backward regions.</p>	<p>The company may join hands and pool their resources for undertaking projects jointly with other CPSEs/Government agencies/ its holding company and/or subsidiary for long term mega projects for greater social impact for scaling up the projects in terms of their size and socio-economic impact, with optimal utilization of resources of each participating entity, and also accelerate the pace of development, including in the backward regions.</p>
<p>Chapter- VII Miscellaneous</p> <p>7.2 Miscellaneous</p>	<ul style="list-style-type: none"> • Projects/ activities of the company, whether planned or in various stages of implementation, as per REC policy on CSR and sustainability effective from 1st April, 2013 , would continue to be recognized as valid till completed. • These guidelines/ policy will stand modified by any amendment in the provisions of the Companies Act, 2013, as may be in-force from time to time • This policy will supersede all the guidelines/ circulars/ instructions issued earlier by the company on this subject. 	

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	<ul style="list-style-type: none">• Notwithstanding any of the above, CMD REC is authorized to take any action, including waiving any provision/ procedure prescribed above or modifying/ adding any further condition towards the selection of agency/ project, revision in scope of work, conduct of baseline/ need assessment survey, monitoring of implementation, evaluation and impact assessment, etc., as may be felt necessary for achievement of prescribed targets of MOU entered into with parent ministry, or for any other reason.	<p>Notwithstanding any of the above, Chairman, RETPCL is authorized to take any action, including waiving any provision/ procedure prescribed above or modifying/ adding any further condition towards the selection of agency/ project, revision in scope of work, conduct of baseline/ need assessment survey, monitoring of implementation, evaluation and impact assessment, etc. , as may be felt necessary for achievement of prescribed targets of MOU entered into with parent ministry, or for any other reason.</p>
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