

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES for financial year 2022-23

[Pursuant to Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company:

The CSR Policy articulates the Company's approach and commitment to sustainable and inclusive social development by improving the quality of life of the communities it serves. Engage, Equip and Empower is the cross-cutting theme of the various projects initiated under the three verticals namely: Sustainable Livelihood, Community Development and issues of National Importance. Sustainable livelihood is the flagship program which focusses on building employability of Youth from underprivileged section of the society. Community Development deals with Water, Health and Education, and emphasises on community participation and ownership and works on projects for sustainable outcomes. Issues of National Importance deals with the thematic areas like Disaster Management, Sanitation and Affirmative Action.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Noel Tata	Chairman, Non- Independent, Non-Executive Director	1	1
2	Mr. Pradeep Bakshi	Member, Managing Director & CEO	1	1
3	Mr. Bahram N. Vakil	Member, Independent Director	1	1
4	Ms. Anjali Bansal	Member, Independent Director	1	1

### 3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The CSR activities undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR Committee composition, CSR Policy and projects/ programmes undertaken by the Company along with the implementing agencies / partners are available on links given below:

- (i) CSR Committee Composition and CSR Policy:  
[https://www.voltas.com/images/\\_ansel\\_image\\_collector/CSR\\_Policy\\_%28Revised%29\\_11102021.pdf](https://www.voltas.com/images/_ansel_image_collector/CSR_Policy_%28Revised%29_11102021.pdf)
- (ii) CSR Projects programmes undertaken by the Company:  
[https://www.voltas.com/images/\\_ansel\\_image\\_collector/CORPORATE\\_SOCIAL\\_RESPONSIBILITY\\_PROJECTS\\_\\_PROGRAMMES.Pdf](https://www.voltas.com/images/_ansel_image_collector/CORPORATE_SOCIAL_RESPONSIBILITY_PROJECTS__PROGRAMMES.Pdf)

### 4. Executive Summary of Impact Assessment of CSR projects, during 2022-23:

The Company has during 2022-23 carried out Impact Assessment on Sustainable Livelihood programmes implemented through 27 Skill Development Centres across India, by KPMG Assurance and Consulting Services LLP (KPMG) and on two separate CSR projects of National Importance relating to Integrated Sanitation programme in 10 villages near Waghodia, Gujarat and Participatory Ground Water Management and Sustainable Agriculture programme in 6 villages in Beed, Maharashtra, by Price Waterhouse Chartered Accountants LLP (PW). The executive summary of the Impact Assessment Reports of KPMG and PW is given as Annexure 'A'. The web-links for their full reports are as under:

- [https://www.voltas.in/images/\\_ansel\\_image\\_collector/ImpactAssessmentReport-SustainableLivelihoodProgram-March2023.pdf](https://www.voltas.in/images/_ansel_image_collector/ImpactAssessmentReport-SustainableLivelihoodProgram-March2023.pdf)

- [https://www.voltas.in/images/\\_ansel\\_image\\_collector/ImpactAssessmentReport-ParticipatoryGroundwaterManagementandSustainableAgricultureProgram-March2023.pdf](https://www.voltas.in/images/_ansel_image_collector/ImpactAssessmentReport-ParticipatoryGroundwaterManagementandSustainableAgricultureProgram-March2023.pdf)
- [https://www.voltas.in/images/\\_ansel\\_image\\_collector/ImpactAssessmentReport-IntegratedSanitationProgram-March2023.pdf](https://www.voltas.in/images/_ansel_image_collector/ImpactAssessmentReport-IntegratedSanitationProgram-March2023.pdf)

5. (a) **Average net profit of the Company as per Section 135(5):** ₹ 717.46 crores.
- (b) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 14.35 crores.
- (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- (d) **Amount required to be set-off for the financial year, if any:** Nil
- (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 14.35 crores.
6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 13.45 crores.
- (b) **Amount spent in Administrative overheads:** ₹ 0.73 crore.
- (c) **Amount spent on Impact Assessment, if applicable:** ₹ 0.42 crore.
- (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 14.60 crores.
- (e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (₹ in crores)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.60	Nil	NA	NA	Nil	NA

- (f) **Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (₹ in crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	14.35
(ii)	Total amount spent for the Financial Year	14.60
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.25
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	0.25

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in crores)	Balance Amount in Unspent CSR Account under Section 135(6) (₹ in crores)	Amount Spent in the Financial Year (₹ in crores)	Amount transferred to a Fund as specified under Schedule VII as per second proviso of section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (₹ in crores)	Deficiency, if any
					Amount (₹ in crores)	Date of transfer		
1	2021-22	Nil	Nil	12.94	Nil	NA	Nil	Nil
2	2020-21	Nil	Nil	11.71	Nil	NA	Nil	Nil
3	2019-20	NA	Nil	10.10	Nil	NA	Nil	Nil

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

☐ Yes ☒ No

**If yes, enter the number of Capital assets created/acquired :** Not Applicable

**Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
	None	NA	NA	Nil	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):**

Not Applicable

**Pradeep Bakshi**

Managing Director & CEO  
Place: Mumbai

**Noel Tata**

Chairman – CSR Committee  
Place: Mumbai

Date: 26 April, 2023

Encl: Annexure 'A'

# ANNEXURE 'A'

## Executive summary of Impact Assessment Studies:

### I. Sustainable Livelihood Programmes:

The Company has through its various implementing partners such as Tata Community Initiative Trust (Tata Strive), Greysym Learnings Foundation, GMR Varalakshmi Foundation, Care Foundation, etc., promoted sustainable livelihood and economic development through youth employment, education and training from 27 Skill Centers spread across 13 States in India, to enhance the skillsets and make the youth/candidates industry ready. The Company offers technical courses in room air conditioning (RAC), commercial air conditioning (CAC), plumbing and electrical, which are industry-oriented and relevant to market requirements. The non-technical courses include banking, financial services and insurance, retail, IT-enabled services, tally and accounting, nursing assistant and tailoring. The Company has up to 2022-23 trained over 23,000 youths through its technical and non-technical programmes.

Recognition of Prior Learning (RPL) programme helps the existing workforce with skill upgradation and certification and this initiative positively impacts the work efficiency, productivity and income of the existing unskilled and semiskilled technicians. Over 16,500 RAC/CAC technicians have been formally trained and certified under the RPL programme.

The aforesaid courses are conducted by experienced trainers and they combine classroom lectures with practical training to provide a holistic learning experience.

During 2022-23, the Company appointed KPMG to study the status and impact of CSR intervention under Sustainable Livelihood, including the perception amongst key stakeholders. KPMG covered 558 trainees and 180 key stakeholders, including candidates currently enrolled and undergoing training at the Skill Centers, candidates who have already completed their training, candidates certified through RPL programme, parents, staff of Skill Centers and employers. The study adopted a mixed method approach leveraging both, quantitative and qualitative research and was conducted across 11 locations of Voltas training centres through in-person interactions and

the RPL candidates were consulted virtually. Interviews and focused group discussions were conducted with other stakeholders, including parents, employers, and implementing partners to gain their insights. Majority of the parents reported that the training was very helpful to improve the technical/non-technical knowledge and crucial to make the youths employable across industries. They also complimented Voltas for such free of cost programmes to ensure social mobility and access to equal opportunities. The Employers reported that they conducted on-campus recruitment drive to assess the knowledge of the candidate about the sector and final fitment before offering the job. They were generally satisfied with the performance of the candidates. The Centre staff reported that the programme covered all important aspects of skill training, including practical exposure, distinct pedagogy, lectures and trainings from Subject Matter Experts ensuring robust internal assessments and certifications.

The key findings of their study are as under:

- 98% respondents expressed that the curriculum is relevant.
- 96% respondents expressed complete satisfaction about improved knowledge and skill.
- 82% respondents reported to be in jobs, while 18% have turned entrepreneurs.
- 85% respondents reported increase in the household income after placements.

### II. Integrated Sanitation Programme:

The Integrated Sanitation programme provides Water, Sanitation and Hygiene (WASH) intervention in 10 villages of the Waghodia District in Gujarat and was implemented through Coastline Salinity Prevention Cell (CSPC), an independent agency. These interventions include construction of toilets, menstrual hygiene management training for women, water-connectivity support for daily chores of households, WASH infrastructural support for Anganwadis and Schools, and provision of soak-pits and vermicomposting beds. Voltas Waghodia plant

officials and volunteers played a pivotal role in shaping up the project through regular ideation and support in implementing and monitoring the programme.

Menstrual Health Management (MHM) awareness was conducted through workshops, with women across different age groups on structured modules. The water-connectivity initiative has brought water directly at the homes of beneficiaries and has become a self-sustaining community activity. Anganwadi centres and schools were supported either in the form of drinking water facilities, repair/ construction of toilets or overall beautification of the institution.

The Company appointed PW to assess the overall impact of these interventions. For this study, PW collected a sample size of 144 beneficiaries through focus group discussions and in-depth interviews. Additionally, 41 physical visits through purposive sampling for constructed toilets, soak pits, vermicompost units and WASH support provided to Anganwadis and Schools were conducted.

The key findings of PW are as under:

- 100% respondents reported using the toilets, soak-pits and water pipeline constructed during the programme.
- 100% respondents can identify and share about the health benefits of usage of toilets, soak-pits and water pipeline constructed during the programme.
- 92% women respondents reported doing away with myths and misconceptions regarding menstrual cycle, except for the religious ones.
- 85% women respondents reported having access to hygienic menstrual cycle management mechanisms.
- 67% of beneficiaries belong to Scheduled Caste (SC) and Scheduled Tribe (ST) category contributing towards the Affirmative Action principle of Voltas.

### III. Participatory Ground Water Management and Sustainable Agriculture Programme:

The Company had initiated the Participatory Ground Water Management and Sustainable Agriculture project

in 6 villages of Beed District of Maharashtra through Action for Food Production (AFPRO), an independent agency. This programme aims to build capacity of the farmers through strategic interventions and technology transfer for creation and efficient management of water resources and promoting sustainable farming practices to address or mitigate perennial drought situation in the area. Beneficiaries were provided with water harvesting/ recharging structures within the village at community level and individual level. Beneficiaries were also provided with various trainings on better crop management, vermicomposting unit and exposure visits to support them in improving productivity and knowledge. Water Committees were formed in each village which played a vital role in identification of project sites and in convincing the people to support in providing space for stream widening and deepening.

The Company appointed PW to assess the impact of the programme on the lives of community/beneficiaries. A mixed method approach leveraging both quantitative and qualitative research was deployed. A sample size of 111 beneficiaries through quantitative survey and 284 samples were covered through qualitative method - 14 Focussed Group Discussions with 245 beneficiaries and In-Depth Interviews with 6 Farmer Producer Organisations members and 16 Panchayati Raj Institution members. Additionally, 11 physical visits through purposive sampling for Community level and individual level water harvesting/ recharging structures and 6 vermicompost units were conducted.

The key findings of PW for this initiatives are as under:

- Average monthly income has increased by 39%.
- Average yield increased by 2697 kg in Rabi and by 1042 kg in Kharif season. Average land under irrigation increased from 2 acres to 4.2 acres, per household.
- Population with potable water throughout the year has increased from 10% to 65%.
- Population migrating for 4 to 6 months for livelihood has reduced from 53% to 38%.