

Corporate Social Responsibility Policy

A. POLICY OBJECTIVE

Cairn India Limited ('Cairn India' or 'CIL' or 'the Company') is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

B. POLICY DETAILS

Core Values

The CSR activities of the Company will be implemented in accordance with the following core values:

Protecting Stakeholder Interests

- Proactively engage with relevant stakeholders, understand their concerns and be responsive to their needs
- Use & promote systematic processes to engage with the stakeholders and address their issues in a just, fair and equitable manner

Proactive Engagement with the Local Communities

- Respecting cultural ethnicity and dignity of individuals and foster positive relationship with the people in the project areas where the Company operates
- Providing development opportunities to local communities in a culturally appropriate manner, in consultation & cooperation with local government authorities and other stakeholders, as may be appropriate.

Inclusive Development

- Developing local entrepreneurship and encouraging use of local goods, services and manpower to promote inclusive economic growth of local area
- Channelizing resources & efforts towards making positive and sustainable contribution in social and economic development
- Aligning CSR practices & programs to complement and support the developmental priorities at local, state and national levels
- Inclusive approach towards stakeholders and promote diversity through affirmative action

CSR Activities

The CSR activities will be focused on the five broad themes with goals to improve overall socio- economic indicators of Company's area of operation:

- Promoting healthcare, sanitation and making safe drinking water available
- Employment enhancement through training and vocational skill development
- Income enhancement through farm based and other livelihood opportunities
- Promoting education and sports
- Ensuring sustainable environment

The CSR projects and programs to be undertaken by the Company shall include activities falling within the preview of schedule VII of Companies Act, 2013. These programs will be executed by CIL and where appropriate in partnership with local government, various NGO partners, service providers and others.

The list of CSR projects and programs of the Company is enclosed as **Annexure 1**. The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

The surplus, if any, arising out of CSR initiatives of the Company shall not form part of its business profits.

Monitoring Mechanism

Monitoring of the CSR activities would be done, which may include:

- periodic third party assessment of key programs
- baseline and impact assessment with key indicators in our areas of operation every two years and
- regular review by the CSR Committee and reporting to the Board on:
 - amount spent on each activity and
 - achievement against milestones and objectives

Responsibility

The responsibility for compliance with this policy lies with the CSR Committee, the Directors, Chief Executive Officer, Senior Managers and all employees and consultants working for Cairn.

Review of Policy

The CSR Policy will be reviewed on or before 31st March, 2017 or as may be recommended by the CSR Committee of the Company.

C. ANNEXURES

Policy Annexure 1

Cairn India Corporate Social Responsibility – Key Programs

1. Preventive health care

- a. Providing Mobile Health Van services for the rural population in Cairn's area of operation to provide access to preventive health care. Over 250,000 people benefit from this initiative every year. Program implemented through NGO partners and local government under National Rural Health Mission scheme
- b. The five year program in partnership with local government and NGO partners to improve health care services. This program aims to reduce child and maternal mortality, control of prevalent diseases and improve primary healthcare access

2. Sanitation and safe drinking water

- a. Providing access to sanitation facilities to rural households in partnership with local Panchayat. Multiple Panchayat areas to be covered over the next three years
- b. Providing safe drinking water for the rural population in Cairn's operational vicinity by setting up water treatment plants, kiosks and distribution through 'jal raths'. The program is being scaled up significantly and will be extended during 2016-17 to new villages on need basis

3. Woman and Child Development

Providing integrated education for children and women skill development through setting up of Anganwadis in Barmer and other areas. These will provide an integrated solution covering mother and child healthcare, skill development, other health services etc.

4. Employment enhancing vocational skills

- a. Employment linked vocational skills training with aim to train and employ over 4000 youths in the rural areas over the next five years. Training will be executed by multiple specialized training providers
- b. Cairn Centre of Excellence commissioned by the Company during 2015-16 in Jodhpur to provide advance vocational skill trainings on various industrial trades. The centre aims to train and employ over 3,000 rural youths in the next five years. Training will be provided by specialized training partners

5. Livelihood and Income Enhancement

Increase community sustainable and livelihood income through water harvesting and improved practices in agriculture, livestock and produce market linkages. It is expected to

increase income of over 20,000 farmers in Cairn's operational vicinity over the next five years. Program will be executed through NGO partners.

6. Sustainable environment

Setting up Solar micro grid and providing Solar Home Systems (SHS) to members of the community with a view to improve the quality of life of those who did not hitherto have access to a power connection.

Increase green belt coverage in the local areas of Company's operation for environment sustainability. The program will be carried out in partnership with local panchayat, NGO partner and the forest department.

7. Rural Development Projects

- a. Undertake community need based projects that improve quality of life in rural areas by setting up quality education and health facilities
- b. Providing access to electricity to households in remote rural areas through solar PV based projects in partnership with Government
- c. Small community need based projects in rural areas to promote local community development

8. Promotion of sports including Hockey

Supporting development of sports and encouraging youth participation.