



**CHHATTISGARH STATE POWER HOLDING COMPANY  
LIMITED**

**(A GOVT. OF CHHATTISGARH UNDERTAKING),  
CIN: U65993CT2008SGC020995**

Regd. Office :- Vidyut Sewa Bhawan, Dangania, Raipur (C.G.) – 492013

**CORPORATE SOCIAL RESPONSIBILITY (CSR)  
POLICY**

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### **(A) Introduction:-**

Chhattisgarh State Power Holding Company Ltd. (CSPHCL) was incorporated on 30<sup>th</sup> December, 2008 under the Companies Act, 1956. The Company is a wholly owned Government of Chhattisgarh Undertaking and a State Government Company under the provisions of the Companies Act.

CSPHCL aims to actively contribute to sustainable socio-economic development of the local community and society at large, including its employees and their families, so as to improve the quality of life.

Formulation of CSR Policy is mandatory for a company to which section 135 of the Companies Act 2013 is applicable. As per this Section, every company having net worth of Rs. 500.00 crore or more, or turnover of Rs. 1000.00 crore or more or a net profit of Rs. 5.00 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board. Since CSPHCL is covered under the above provisions of the Companies Act, 2013, the Company has framed its CSR policy which is applicable to all its Circles/Divisions & Corporate Office.

### **(B) Objective:-**

The main objective of CSR policy is -

- ❖ To lay down guidelines for compliance with the provisions of the regulations to dedicate a percentage of profits of the Company for social projects.
- ❖ To directly/ indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around the work site and society at large.

### **(C) Activities :-**

The scope of the CSR activities of the Company will cover the following areas but is not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time:-

#### **EDUCATION**

- ❖ Counseling of villagers to encourage their children for education and Conduct awareness programmes for promotion of girl education.
- ❖ Special attention on education, training and rehabilitation of Project Affected People
- ❖ Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
- ❖ Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.

- ❖ Providing Scholarships to the meritorious students of the schools in the Project Affected Areas.
- ❖ Support to Technical/Vocational Institutions for their self- development.
- ❖ Adult literacy especially amongst those belonging to Below Poverty Line (BPL).
- ❖ Spreading legal awareness amongst people and disadvantageous sections of the society about their rights & remedies available.

#### **HEALTH CARE**

- ❖ Organizing Mobile Clinics/ medical camps in the villages of Project Affected Areas.
- ❖ Organizing general awareness camp for the surrounding villages to make the people realize the harmful effects of social evils like smoking, alcohol, drug abuse etc.
- ❖ Conduct Aids, TB and Leprosy awareness programmes in Project affected areas.
- ❖ Diet and Nutrition awareness
- ❖ Blood donation camps.
- ❖ Diabetics detection & Hypertension Camps.
- ❖ Promotion of Family Planning activities.
- ❖ Senior Citizen Health Care.
- ❖ To supplement the different programmes of Local/State Authorities like Swachh Bharat Abhiyan etc.

#### **SPORT AND CULTURE**

- ❖ Promotion of sports activities in nearby villages by conducting tournaments in sports such as Football, Kabaddi, Khokho, etc.
- ❖ Providing sports materials for Football, Volleyball, Hockey sticks etc to the young and talented villagers.
- ❖ Sponsorship of Sports event in the Project affected areas.
- ❖ Support for development of play grounds in Project affected areas.
- ❖ Promotion of State level sports/games teams.
- ❖ Sponsorship of National Sports events in Power Station & Corporate office areas.
- ❖ Sponsorship of Cultural event to restore Indian Cultural Traditions and Values.
- ❖ Providing sports facilities for physically handicapped persons.
- ❖ Promotion of Art & Culture.
- ❖ Protection of Heritage sites.

#### **INFRASTRUCTURAL DEVELOPMENT**

- ❖ Construction / repairs of community halls, road, bridges, culverts, check dam, auditorium, play ground, sports, complex, parks, garden, night shelters, orphanages, old age homes etc.
- ❖ Providing Street lighting.
- ❖ Providing furniture & equipments to educational institutions.

- ❖ Development of public utilities and sanitation facilities.
- ❖ Tree plantation including fruits trees.
- ❖ Construction of public cremation ground /burial grounds.
- ❖ Creating common grazing land/ small distributaries for irrigation.

#### **DISASTER MANAGEMENT**

- ❖ Relief for victims of Natural Calamities like Earth Quake, Cyclone, Draught and Flood situation in any part of the country.
- ❖ Relief for family members of Army Personnel losing their lives at War.
- ❖ Disaster Management Activities including those related to amelioration/Mitigation.

#### **ENVIRONMENTAL PROTECTION & CONSERVATION**

- ❖ Organizing sensitizing programmes on Environment Management and Pollution Control.
- ❖ Green Belt Development
- ❖ Create awareness for adoption of environmental friendly technologies in everyday life
- ❖ Aforestation, Social Forestry, Check Dams, Park.
- ❖ Restoration of barren lands.
- ❖ Development of jobs related to agro product i.e. Dairy/Poultry/farming and others.
- ❖ Plantation of saplings producing fruit.
- ❖ Animal care-Vaccination & Checkup.

#### **EMPOWERMENT**

- ❖ Imparting Vocational Training to rural youth on Welding, Fabrication, Motor Winding and other professional expertise.
- ❖ Organizing training programmes for women on tailoring Embroidery designs, Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other Vocational Courses.
- ❖ Setting-up skill development centres for youth, women, girls etc.
- ❖ Empowerment of women for education / health & self employment.
- ❖ Capacity building of the Project affected persons (PAPs) to improve their employability.
- ❖ Care for senior citizens, physically challenged, destitute women, widow.
- ❖ Improving lives of people belonging to Scheduled Caste & Scheduled Tribe.
- ❖ Adoption/construction of Hostels (specially those for SC/ST & girls)

#### **LIVELIHOOD DEVELOPMENT**

- ❖ To provide assistance to villagers having small patch of land to develop mushroom farming, medicinal plants, vegetable farming & other cash crops to make them economically dependent on their available land resources. Training may be provided by agricultural experts for above farming.

- ❖ Promotion of livelihood/ Employment facilities to the community especially to the backward & weaker section by providing education and training thereby developing their skill for suitable employment. Further opportunities for self-employment should be provided by constructing Shopping Complex in and around the projects.
- ❖ Self Help Groups (SHGs) should be formed by active participation of local people for setting up Dairies, Poultryies etc, which will also help to generate self-employment.
- ❖ Placement assistance programs for youth.
- ❖ Grant/donation/financial assistance/sponsorship to reputed NGOs of the Society /locality doing/involve in upliftment of the standard of the society.

#### **NATURAL RESOURCE MANAGEMENT**

- ❖ Water Supply to village through mobile Tanker in summer till permanent Arrangement.
- ❖ Installation/Repair of Hand Pumps/Tube Wells.
- ❖ Digging/Renovation of Wells & other irrigation facilities.
- ❖ Gainful utilization of waste water through treatment plants for cultivation or any other purpose.
- ❖ Development/construction of Water Tank/Ponds.
- ❖ Rain water-harvesting scheme.
- ❖ Formation of a Task Force of Volunteers to educate people regarding proper use of drinking water.
- ❖ Empowerment to the villagers for maintenance of the above facilities for availability of water.

The Above list is illustrative and not exhaustive. CSR Committee may also consider CSR activities not falling in this list.

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. Thus, the Company will give preference to conducting CSR activities in the state of Chhattisgarh wherein the Company has/will have its operations. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board of Directors for undertaking CSR activities.

#### **(D) Exclusion from CSR :-**

The following activity shall not form part of the CSR activities of the Company:-

- a) The activities undertaken in pursuance of normal course of business of the Company.
- b) CSR projects/ programs or activities that benefit only the employees of the Company and their families.

- c) Any contribution directly/ indirectly to political party or any funds directed towards political parties or political causes.
- d) Any CSR projects/ programs or activities undertaken outside India.

**(E) CSR Committee:-**

- ❖ Presently, CSR Committee of the Company consisting of the following members in compliance with the provisions of Section 135 of the Companies Act, 2013:

SR. NO.	DIRECTOR
1.	Managing Director, CSPHCL
2.	Managing Director, CSPGCL (Being a Director of CSPHCL)
3.	Managing Director, CSPDCL (Being a Director of CSPHCL)

- ❖ The CSR Committee shall be responsible for implementation/ monitoring and review of this policy and various projects/ activities undertaken under the policy. The CSR Committee shall submit periodical reports to the Board of Directors.

**(F) CSR Officer :-**

- ❖ The CSR Officer shall be responsible for the proper implementation and execution of CSR Projects of the Company.
- ❖ The CSR Officer shall be responsible for monitoring the Projects vis-à-vis the Annual Plan.
- ❖ The CSR Officer shall communicate the relevant feedbacks received by him to the CSR Committee.
- ❖ The CSR Officer shall be directly responsible to the CSR Committee.
- ❖ The CSR Officer shall be assisted by a select group of individuals who shall be exclusively dedicated and/or available on priority basis to the CSR Officer, as and when required in discharge of all or any of his functions as required under the CSR Policy.

**(G) Budget & Funding :-**

- ❖ The Company shall spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.
- ❖ The CSR Committee shall prepare and submit a CSR Annual Plan to the Board of Director for the approval which shall include:

- a) Identified CSR Projects
- b) CSR expenditure

- ❖ Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee. The amount sanctioned by the Board will have to be utilised for the projects/ programs as specified by the CSR committees.
- ❖ The unspent amount, if any, at the close of the financial year shall be retained and shall be spent only on specified projects/ programs in the next financial year.
- ❖ Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.
- ❖ All administrative expenses including expenditure on wages & salaries, tours and travels, training & development of personal deputed on CSR activities would be borne from CSR funds.

**(H) Implementation of CSR Projects :-**

- ❖ The Company may itself implement the identified CSR Projects presently within the scope and ambit of the areas as defined in the Policy.
- ❖ The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- ❖ The Company may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.

**(I) Monitoring :-**

- ❖ Monitoring process for CSR Projects shall include the following.
  - a) Evaluation of Planned progress V/s Actual Progress.
  - b) Actual expenditure V/s expenditure as per Approved Budget.
- ❖ The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan and report to the Board from time to time. The Board of Directors shall ensure that activities included by a company in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Act.
- ❖ CSR Plan may be revised/ modified/ amended by the CSR Committee at such intervals as it may think fit.

**(J) Disclosures :-**

- ❖ The Company is required to disclose in its Board's Report an Annual Report on CSR containing the following :-

- ✓ A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs;
- ✓ The composition of the CSR Committee;
- ✓ Average net profit of the company for last three financial years;
- ✓ Prescribed CSR Expenditure (2% of the amount of the net profit for the last 3 financial years);
- ✓ Details of CSR spent during the financial year;
- ✓ In case the company has failed to spend the 2% of the average net profit of the last three financial year, reasons thereof;
- ✓ A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company;

**(K) GENERAL:-**

- ❖ In case of any doubt with regard to any of the provisions of this Policy and also in respect of matters not covered herein, a reference may be made to the CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.
- ❖ The provisions of the CSR Policy shall stand modified in accordance with the provisions of the Companies Act / Companies CSR Rules, as amended from time to time and the applicable Government guidelines.
- ❖ The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to the approval of the Board of Directors.
- ❖ CSR Committee shall meet at such intervals as may be required.