



Corporate Social Responsibility (CSR) Policy



Maharashtra State Power Generation Company Limited
(Maharashtra)

Index

Sr. No.	Subject	Page no.
1	Background & Vision	3
2	Title & Operation	3
3	Aims & Objectives	3
4	CSR Committee	4
5	Corporate Social Responsibility Activities	4
6	Funding	5
7	Monitoring the Progress of CSR activities	5
8	Ownership of assets	5
9	Power to issue clarifications	5

The Corporate Social Responsibility (CSR) Policy of Maharashtra State Power Generation Company Limited

1 Background & Vision

Maharashtra State Power Generation Co. Limited (MSPGCL) has been entrusted with the Operation & Maintenance of the State owned power generating stations as well as setting up new Power generation projects under State Sector to make available power to the State of Maharashtra on a sustainable basis.

MSPGCL 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 and to raise the Human Development Index in the State.

1.1 Preamble

- 1.1.1 MSPGCL is a socially committed organization and a responsible corporate citizen. It attaches great importance to discharging its social responsibilities to the community and Society of the area where the Power Projects are being taken up.
- 1.1.2 Most of MSPGCL's projects are located in remote areas. MSPGCL acquires land for its projects, which may relocate people or affect their livelihood. As a responsible corporate citizen, it aims to restore the livelihood of the people, provide adequate compensation and to undertake the development works in the Project Affected Area for the upliftment of Project Affected Persons (PAPs).
- 1.1.3 The present installed generating capacity under MSPGCL is **10737 MW** and it has an ambitious plan of addition of around 13807 MW power generating capacity by 2016-17. The Company will take up community development activities for new power projects as well as for existing Power Stations in operation.

2. Title & Operation

- 2.1 This Policy shall be known as the 'Corporate Social Responsibility (CSR) Policy' of Maharashtra State Power Generation Co. Limited (MSPGCL).
- 2.2 The Policy will remain in force until superseded by another Policy.
- 2.3 The Board of Directors of MSPGCL may review the Policy as and when deemed necessary.

3. Aims & Objectives

The aims & objectives of this Policy are as under -

- 3.1 Improving socio-economic status of Persons who are residing in adjoining areas of Power Stations of Mahagenco along with PAP (Project Affected People).
- 3.2 Providing opportunities for sustainable improvement in the fields of income generation, health, education, water & electricity, sanitation, communication and such other fields.

- 3.3 To adopt a holistic approach to community development of Project Affected Areas and ensuring that the people of such areas improve or at least regain their previous standards of living.
- 3.4 Carrying out community development activities in a transparent and participative manner.
- 3.5 Ensuring participation and consultation with the local public representatives and setting up of institutional mechanisms for carrying out CSR activities in Project Affected Areas and Power station area.

4. CSR Committee

At MSPGCL, our CSR governance structure will be headed by the CSR committee that will be ultimately responsible for the CSR projects undertaken. The committee will report to our Board of Directors

4.1 CSR Committee Members

- Chairman & Managing Director
- Director (Finance)
- Director (Project)
- Director (Operation)
- Independent Director

4.1.1 Function

Function of Corporate Social Responsibility Committee shall be:

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company.
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and
- (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

5. Corporate Social Responsibility Activities

- 5.1 The list of the activities covered under CSR policy is purely suggestive in nature and any other activities may also be taken up as per the need(s) of Persons who are residing in adjoining areas of Power Stations of Mahagenco along with Project Affected People/ Project Affected Areas to be assessed at the Project level. The list of CSR activities will be as under:
 - a) Drinking Water Supply: with emphasis on safe drinking water to villagers and other water related facilities;
 - b) Infrastructure development, such as construction of roads, community halls, sanitation facilities, etc.;
 - c) Electrification of Villages / to provide street light.
 - d) Providing relief to victims of Natural Calamities like Earth Quake, Cyclone, Drought & Flood situation etc
 - e) Pollution control awareness programme
 - f) Sports & Cultural activities.
 - g) Distribution of Cash prizes to students (SSC & HSC) in Project affected area.

The detailed list of activities which may be taken up under some of the aforesaid categories is enclosed as 'Annexure-I'. All activities under the Policy should be environment friendly and for the benefit of the local people and society at large.

6. FUNDING

- 6.1 The **CSR budget will** be mandatorily passed by a Board Resolution.
- 6.2 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of Corporate Social Responsibility Policy.
- 6.3 The CSR Budget should be fixed for each financial year.
- 6.4 60% limit of total CSR budget shall be utilize on CSR activities as mention in (a), (b) & (c) of 5.1 and 40% of total CSR budget shall be utilize on rest of CSR activities as mention in 5.1.

7. Monitoring the Progress of CSR activities

- 7.1 The CSR Committee shall regularly monitor the progress of the various CSR activities/ works undertaken by it. A periodical status report on the progress of CSR activities shall be furnished by the concerned Chief Engineer of Project/ Power Station to the Corporate Level CSR committee, MSPGCL.
- 7.2 The Annual Progress Report and Annual Audited Expenditure approved by the CSR Committee shall be placed before the Board of Directors of MSPGCL.

8. Ownership of assets

Ownership of the assets developed under CSR Policy would vest in the concerned Government Departments/ Panchayats. Upkeep & Maintenance of these assets shall be the responsibility of the concerned Departments / Panchayats.

9. Power to issue clarifications

MSPGCL shall have the power to issue any clarifications on the various provisions of this CSR Policy, from time to time.

Suggestive CSR activities/ works under some of the fields stated at Clause-6 of Corporate Social Responsibility Policy of MSPGCL.

(i) Education

- Education by providing Primary, Middle and Higher Secondary Schools in colonies.
- 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
- Providing Scholarships to the meritorious students of the schools in the Project Affected Areas.
- Promotion of Professional Education by sponsoring PAP students for ITI/ Diploma courses..

(ii) Drinking Water Supply

- Providing water taps to villagers to full fill their daily need of water wherever the pipe line is laid for of water supply.
- Installation/ Repair of Hand Pumps/ Tube wells.
- Creating awareness towards proper utilization of waste water after treatment.
- Restoration, development/ construction of Water Tanks/ ponds.

(iii) 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 awareness programmes in Project affected areas.

(iv) Environment

- Organizing sensitizing programmes on Environment Management and Pollution Control.
- Green belt Development.
- Create awareness for adoption of environmental friendly technologies in everyday life.
- Supply of fly ash free of cost to brick manufactures in the Project affected areas, keeping in view the applicable rules/ regulations.
- Undertake or support afforestation, social forestry.

(v) Social Empowerment

- Support for providing training to rural youth for Self Employment such as Fitter, Welding, Fabrication, Electrician etc.
- Organizing training programmes for women in tailoring, embroidery, designs, home foods, pickles, painting, interior decoration and other such vocational Courses.

(vi) Sports 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.

(vii) Infrastructural development

- Construction / repairs of community halls, road 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.
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