

Corporate Social Responsibility (CSR) Policy of CMPDIL

I. PREAMBLE

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Govt. alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. CMPDIL has adopted CSR as a strategic tool for sustainable growth. For CMPDIL in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

II. INTRODUCTION

The drilling camps of CMPDIL and its Regional Institutes are located in different parts of the country spread in 8 States and relatively in isolated areas with little contact to the outside society. **The primary beneficiaries of CMPDIL CSR would be those staying in the local area and areas around where CMPDIL is operating its works.**

In the aforesaid backdrop, policy on Corporate Social Responsibility of CMPDIL has been framed after incorporating the features of the Companies Act 2013 and as per notifications issued by Ministry of Corporate Affairs, Govt. of India from time to time as well as DPEs guidelines and broadly covers the following: -

- a) Welfare measures for the community at large, so as to ensure the poorer section of the Society derived the maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- c) Protection and safeguard of environment and maintaining ecological balance.

III. OBJECTIVE

The main objective of CMPDIL CSR policy is to lay down guidelines for CMPDIL to make CSR a key business process for sustainable development of the Society integrated with our business policy. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. **CMPDIL will act as a good Corporate Citizen working towards upliftment of society and social equity.**

IV. AREAS TO BE COVERED

- For carrying out CSR activities, preference will be given to the local area and areas around the CMPDIL Project Site/Drilling Camp/Regional Institute/HQ.

V. ALLOCATION OF FUND

The fund for the CSR should be allocated based on minimum 2% of the average net profit of the Company for the three immediate preceding financial years **or as per the Amendments in Companies Act, 2013.**

VI. SCOPE

The scope of CSR activities shall be in 'Areas' or 'Subjects' as specified in Schedule-VII are:

- i) **Promoting Healthcare and Sanitation:** Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water. Promoting facilities and care for communicable, stigma and discrimination based diseases such as AIDS, leprosy, TB, etc.

- ii) **Promoting education:** Promoting inclusive education including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects.
- iii) **Reducing Inequality:** Promoting gender equality, empowering women, setting up homes, hostels, day care centers and other facilities for women, orphans, senior citizens, Disabled and measures for reducing inequalities faced by socially and economically backward groups.
- iv) **Sustainable environment:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources, maintaining quality of soil, air and water, support a precautionary approach to environment challenges, undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.
- v) **Protection & Promotion of national heritage and traditional arts:** Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art: setting up public libraries, promotion and development of traditional arts and handicrafts.
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents.
- vii) **Promotion of Sports:** Training, promotion and development of rural sports, nationally recognized sports, Paralympics sports and Olympic sports for children, youths, disabled & tribals.
- viii) **Contributions to Funds and emergency needs:** Contribution to the Prime Ministers National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of scheduled castes, the scheduled tribes, other backward classes, minorities and women.
- ix) Contribution or funds provided to technology incubators located within academic institution which are approved by Central Government.
- x) Rural development projects.
- xi) **Slum Development projects.**

VII. IMPLEMENTATION

- a) The investment of CSR should be project/activity based and for every project time framed periodic mile stones should be finalized at the outset.
- b) Project /activities identified under CSR are to be implemented directly (internal resources) or by specialized agencies. Specialized agencies could be made to work singly or in tandem with other agencies. Specialized agencies would include:
 - i. Community based organization whether formal or informal.
 - ii. Elected local bodies such as Panchayats.
 - iii. Voluntary Agencies (NGOs).
 - iv. Institutes/ Academic Organizations.
 - v. Trusts, Mission etc.
 - vi. Self-help groups.
 - vii. Government, Semi-Government and Autonomous Organizations.
 - viii. Standing Conference of Public Enterprises (SCOPE)
 - ix. Mahila Mandals/Sanitis and the like.
 - x. Contracted agencies for civil works.
 - xi. Professional Consultancy Organization etc.

VIII. INSTITUTIONAL ARRANGEMENT

- 1. **CSR Committees and their Roles:** Three levels of CSR committees would be functional in CMPDIL namely:
 - i. **CSR Board Level Committee:** The CSR Board Level Committee will consist of three or more Directors out of which at least one Director shall be Independent Director.

The projects/activities proposed by CSR Apex Committee will be put up before CSR Board Level Committee for recommendation of the proposals along with the proposed financial expenditure for approval of CMPDIL Board.

The CSR Board Level committee will be appraised of the progress of CSR projects/activities from time to time.

The CSR Board Level committee shall recommend the amount of proposed expenditure to be incurred in case of fresh proposals for CSR activities.

- ii. **CSR Apex Committee** at HQ level: It will comprise of HoDs of HRD, TE&CM, Finance, Environment and Exploration or their representatives' along with other invitees and will be headed by Nodal Officer, CSR, HQ.

The Apex Committee will decide the priority of the activities to be undertaken in CSR for placing before the CSR Board Level Committee. The Apex Committee will review the progress of projects/activities undertaken/completed from time to time and report the same to the competent authority.

- iii. **CSR Sub Committee** at each Regional Institute shall comprise of HoDs of P&A, Civil, Finance, Environment and Exploration or their representatives and other invitees and will be headed by Regional Director.

The CSR Sub Committee shall initially screen the project proposals received and send the selected proposals to CSR Apex Committee at HQ level.

- 2. **The CSR Apex committee at HQ and CSR Sub Committee at RIs will be responsible for identification and implementation of projects/activities which involve the following:-**

- The Committee will interact with different nearby villagers, communities, local Authorities/Local Bodies, organizations to identify the community development needs of the peripheral areas to and recommend the projects/activities which are to be taken under CSR.
- In case where there are chances of duplicity of projects/activities; the above mentioned Committees will also interact with the concerned State Officials/Govt. officials to confirm the areas for undertaking projects/activities under CSR activities to avoid duplicity of the job.

The CSR cell, HQ should be headed by Senior Executive as Nodal Officer. The finalized CSR action plan along with budget requirement of all the Regional Institutes should be sent to CSR Cell, HQ. The consolidated CSR plans of the Regional Institutes & HQ should be placed before the CSR Apex Committee. All the proposals received/ plans chalked out will then be scrutinized by the CSR Apex Committee.

The recommendations would further be submitted before the CSR Board level Committee for recommendation before approval from the CMPDIL Board.

3. Delegation of Power (DOP) for according approval of any CSR project proposal:

- a. In case CSR budget of any Regional Institutes is exhausted, the Regional Director may refer the particular CSR activity/ project/programme to CMPDIL HQ which are considered to be emergent/important by the concerned Regional Director; further to be put up before CSR Board Level Committee.
- b. In case any new CSR project/activity is proposed other than CSR projects/activities approved by the CMPDIL Board for the FY upto 25 lakhs, such projects/activities may be approved by the CMD on the recommendation of CSR Board Level Committee. For the proposals of more than Rs. 25.00

Lakhs, approval of the CMPDIL Board will be required on the recommendation of CSR Board Level Committee.

IX. BASE LINE SURVEY & DOCUMENTATION

- a) Keeping in view the DPEs guidelines baseline survey is not insisted upon in every case and flexibility would be granted to opt other methods including use of in house expertise and resources for need assessment studies.
- b) Meticulous documentation relating to CSR approaches, policies, programmes, expenditures should be prepared and put in the Public Domain.

X. MONITORING

- a) The Nodal Officer- CSR at HQ and RIs will be responsible for reporting on CSR and preparing the Annual Report on CSR projects/activities.
- b) Monitoring and Impact Assessment Committee comprising of the executives of Community Development cadre and other disciplines will carry out the Monitoring and Impact Assessment studies of the CSR projects/activities of CMPDIL from time to time. This committee will report to the Nodal Officer, CSR cell.

XI. CONCLUSION

The above guidelines would form the framework around which the CSR activities would be undertaken by CMPDIL HQ and all its Regional Institutes. Any amendments in the Company's Act 2013 pertaining to CSR along with DPEs guidelines from time to time will be adhered to.

This Policy will supersede earlier policies relating to CSR and will come into force with immediate effect.