

Corporate Social Responsibility Policy



**PUNJAB STATE TRANSMISSION
CORPORATION LIMITED**

Regd. Office: PSEB H.O., The Mall, Patiala-147001

1. INTRODUCTION:

- 1.1 Punjab State Transmission Corporation Limited (hereinafter called the Corporation), a wholly owned Government of Punjab undertaking, is an intra-state power transmission utility in the State of Punjab. The Corporation discharges the functions of State Transmission Utility (STU) and also operates the State Load Despatch Centre (SLDC).
- 1.2 The Corporation plays an important role in the socio-economic development of the State while discharging its statutory duties and responsibilities as a transmission utility. While the Corporation is committed to have an efficient, economical and co-ordinated intra-state transmission system for smooth flow of quality and uninterrupted power, it also has a responsibility as a responsible corporate citizen to address the social needs while executing and operating the state transmission system.
- 1.3 The Corporate Social Responsibility (CSR) Policy to be pursued by the Corporation forms an overall business policy and is aligned with one of its Mission of pursuing holistic social responsibilities. The policy reaffirms the corporation's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.
- 1.4 The Policy has been formulated in reference to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 notified by the Government of India, Ministry of Corporate Affairs vide notification dated February 27th, 2014.

2. SCOPE AND APPROACH:

- 2.1 The Corporation is committed to the well being of the local communities and the society at large while discharging its statutory responsibilities under the Electricity Act, 2003 and the Rules framed thereunder.
 - (a) The focus of CSR initiatives is on geographic areas that are impacted during the course of its work and operation which includes district, town or city as a whole where the Corporation's offices including Grid Substations are located.
- 2.2 The focus of the CSR work shall include,
 - (a) Environment conservation

- (b) Integrated community development that fill the gaps in the statutory resettlement and rehabilitation programmes of the government and to ensure the quality of lives of communities.
- (c) Education, including formal and informal education and vocational training that contribute towards sustained income generation and self sufficiency.
- (d) Health as an integral component of better quality of life with special focus on women and girls.
- (e) Disaster Management including preparedness, capacity building as well as emergency response leveraging core competency of the Corporation in situations of disasters.

2.3 The approach of the corporation would be oriented to identify and formulate projects in response to felt societal needs in diverse areas falling in the geographic scope as mentioned above and to implement them with full involvement and commitment in a time bound manner.

2.4 A detailed action plan will be developed through a consultative process outlining short, medium and long term goals, objectives and activities with clear outputs and deliverables.

3. GOAL:

3.1 The overall goal is to promote sustainable and inclusive development for the benefit of the society at large as a responsible corporate citizen.

4. AIMS AND OBJECTIVES:

The goal will be achieved through the following broad Objectives:

- (a) Comprehensive and integrated community development.
- (b) Innovative and sustainable solutions for environmental conservation.
- (c) Prioritization and all round integration of environmental and social issues into the planning, designing and implementation of infrastructure development.
- (d) Improved access to formal, informal and vocational education with a focus on the under privileged and marginalized communities.
- (e) Contribution to national and local efforts for relief/rehabilitation in times of natural disasters on a needs basis.
- (f) Development and promotion of sporting talent.

- (g) Active participation in disaster management initiatives for prevention and emergency response based on the comparative strength of the PSTCL.
- (h) To extend assistance either directly or through reputed agencies engaged in promotion of education, health and ecological development.
- (i) To promote development of skilled manpower in association with the Public Technical Institutions to meet the growing demand of power and other sectors.
- (j) To undertake appropriate measures for providing relief and rehabilitation in times of natural disaster and calamities.
- (k) To undertake any other activities at the discretion of the management having social and economic concern.

5. ACTIVITIES:

5.1 The following activities will be undertaken towards the achievement of the above mentioned CSR Goal and Objectives of the corporation. These are by no means an exhaustive list and will be reviewed and modified from time to time as per need.

5.2 Integrated Community Development :

Based on community needs assessment of those most neglected areas, projects will be designed to address those needs and add value to the resettlement and rehabilitation process. Elements of these projects include:

- (a) Supply of potable drinking water through dug wells, hand-pumps etc.
- (b) Promote sanitation.
- (c) Adopt villages for all round development where feasible and appropriate.
- (d) Respond to any other locally felt need.

5.3 Environment:

- (a) Raise awareness about environment conservation.
- (b) Promote waste management and other environment friendly activities.
- (c) Develop green belts around the PSTCL Grid Substations.
- (d) Promote social forestry and a forestation.

- (e) Design and implement community based projects for energy conservation, pollution reduction and environment protection such as promoting use of solar energy, smokeless cook-stoves etc.
- (f) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and Maintenance of quality of soil, air and water.

5.4 Education & Skill Development:

- (a) Establish and manage directly or in co-operation with other partners, schools for formal education.
- (b) Develop, support and maintain educational institutions, vocational training institutes, centres for non-formal education etc. This will include providing grants/assistance to schools in rural/urban slum areas for necessary infrastructure such as building, electricity, furniture computers etc.
- (c) Provide scholarship or financial support to children from the affected communities who have demonstrated extra-ordinary talent in academics or other skills and belong to socially and economically marginalized communities.
- (d) Ensure that underprivileged children are provided access to free education through the existing educational systems managed by the NGO's.
- (e) Supply study materials (such as books, stationery etc.) to children from the poor, and underprivileged sections.
- (f) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central/State Government.
- (g) Safety traffic engineering and awareness through print, audio and visual media.
- (h) To initiate, execute, implement, aid and assist activities to empower needy individuals through improved skills to gain access to decent employment resulting in improved productivity and living standards.
- (i) Undertake any other activities that contribute towards improving the educational and vocational skills of communities.

5.5 Health:

- (a) Strengthen health systems to expand coverage of health services with a focus on women, children and disabled persons.
- (b) Provide facilities (such as mobile clinics) to enhance access to health care services directly or in partnership with other PSUs, Corporates, government schemes etc.
- (c) Organize health check up camps, awareness camps, eye camps etc to raise awareness and provide outreach services for locally relevant health issues such as TB, HIV/AIDS, leprosy, cataract etc. Special attention will be given to women, children and elderly persons.
- (d) Design and implement projects that address priority local needs such as drug abuse, alcoholism etc.
- (e) Design, produce and distribute relevant health related public information materials and films to propagate important messages to a large audience.

5.6 Disaster Management:

- (a) Integrate disaster preparedness and related capacity building into the ongoing initiatives for community development.
- (b) Actively contribute towards local and national efforts for disaster mitigation

5.7 Others:

- (a) Identify young talent in various sports and games and support them to achieve their full potential.
- (b) Sponsor sporting events in rural/semi urban areas to enable the development of a sporting culture in the country.
- (c) Sponsor deserving candidates for coaching and training to strengthen their sporting skills.
- (d) Respond promptly to any natural calamity such as flood, earthquakes, famines, or the outbreak of a disease and contribute to local and national rehabilitation process, as appropriate.
- (e) Empower families of staff and encourage their participation in CSR initiatives, organize sensitization programmes, lectures, workshops etc. to ensure a healthy work environment with special focus on making workplaces safer for women.

- (f) Protection of national heritage, art and culture including restorations of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.
- (g) Contribute to any fund established under an Act of the State Govt. for pursuing any of the CSR activities.
- (h) Eradication of hunger, poverty and malnutrition.
- (i) Promotion of gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (j) Measures for the benefit of armed forces veterans, war widows and their dependents.
- (k) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- (l) Rural development projects.
- (m) Slum area development.

The activities mentioned above are not exhaustive and other suitable activities not listed above may be undertaken on the recommendation of the CSR Committee and approval of the Board of Directors of the Corporation.

6. Administrative Set up:

- 6.1 A Board level Committee called Corporate Social Responsibility Committee has been constituted as required under the provisions of the Companies Act 2013 to oversee the implementation and monitor the CSR Policy. The Committee shall recommend to the Board the amount of expenditure to be incurred on the activities mentioned above. The Committee shall periodically submit its report to the Board for their information.
- 6.2 The Corporation shall form a Trust named PSTCL CSR Trust to administer the CSR Policy which will be registered under the relevant Act and the trustees shall be nominated by the Board of Directors of the Corporation.

- 6.3 The Corporation shall contribute to the Trust the funds in lumpsum or in installments as required under the Act & Rules and based on the approved budget which will be utilized for CSR activities in accordance with the Rules of the Trust.
- 6.4 The Trustees shall be responsible for implementation of CSR activities as per the CSR Policy.
- 6.5 Towards achievement of CSR targets, all CE's/Dy. CE's/Sr. Xen's will be expected to identify opportunities for CSR activities within the board framework outlined in this policy. They will, from time to time, also provide necessary inputs for preparation of Annual CSR Plan.
- 6.6 Delegation of powers for approval of expenditure for CSR activities shall be notified separately after approval of the Board of Directors. Till such delegation is made, the Chairman-cum-Managing Director of the Corporation shall be empowered to approve all such expenditures subject to budget allocations.

7. Implementation Mechanism :

- 7.1 The CSR Committee of the Board will be responsible for overseeing the planning, coordination and implementation of CSR activities including compilation of information and preparation of annual reports etc.
- 7.2 While identifying the CSR initiative the following considerations will be taken in to account:
- Thrust of the schemes/projects should be in the identified priority areas.
 - The assistance will be project based with clear outcomes with a focus on creating sustainable and replicable models.
 - While implementing the identified projects, time frames and milestones will be predefined.
 - Specific projects will be identified based on evidence and needs assessment studies.
 - Participatory processes engaging communities and most affected stakeholders will be undertaken in the formulation of projects.
- 7.3 External Consultants shall be hired by the CSR Committee for technical oversight, supervision and quality assurance, as well as for specific tasks such as documentation, training etc.
- 7.4 External experts/ organizations will be engaged for an independent assessment of the impact of the CSR activities periodically. Lessons from

these evaluations and assessments will be fed into the planning for the subsequent years.

8. Report:

8.1 The CSR Committee of the Board shall prepare an annual report of CSR activities undertaken, budget utilization, the benefits accrued to the communities and the number of people benefited. The Committee shall endeavour to spend the budget allocated and for any shortfall in spending, the reasons shall be specified in the Report.

8.2 The summary of the Report will be posted in the corporation under a separate dedicated section on CSR.Web site.

9. General :

9.1 The Policy supersedes the CSR Policy approved by the Board earlier. The power to modify and amend the policy will rest with the Board of Directors of the Corporation.