



**WBSETCL**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**West Bengal State Electricity Transmission Co. Ltd.**

(A Government of West Bengal Enterprise)

CIN: U40109WB2007SGC113474

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# WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### **1.0 SHORT TITLE AND COMMENCEMENT:**

This policy may be called “West Bengal State Electricity Transmission Company Limited Corporate Social Responsibility Policy” and shall have retrospective effect from 1<sup>st</sup> April, 2014.

### **2.0 DEFINITION:**

Unless repugnant to the context and inconsistent with the relevant Acts and Rules made there under

- a. “Act” means the Companies Act, 2013
- b. “Board” means the Board of Directors of the WBSETCL;
- c. “MD” means the Managing Director of the Company;
- d. “Company” means the ‘West Bengal State Electricity Transmission Company Limited’ hereinafter referred to as “WBSETCL”;
- e. “Corporate Social Responsibility (CSR)” means and includes but is not limited to:-
  - (i) Projects or programmes relating to activities specified in Schedule VII to the Act; or
  - (ii) Projects or programmes relating to activities undertaken by the Board in pursuance of recommendations of the CSR Committee as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.
- f. “CSR Committee” means the Corporate Social Responsibility Committee of the Board as referred to in section 135 of the Act.
- g. “CSR Policy” means the principles as defined by the present document pursuant to which activities as specified in Schedule VII to the Act are to be undertaken by the Company, excluding activities undertaken in the normal course of business of the Company.
- h. “Director” means a Director of the Board of WBSETCL
- i. “Net profit” means the net profit of the Company as calculated under the provisions of Section 198 of the Act provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act.
- j. “Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Words and expressions used and not defined in this policy and Rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

### **3.0 INTRODUCTION**

A well designed and integrated transmission system is a pre-requisite for optimal dispersion of electrical energy and achieving the larger goal of linking the electricity generating stations to the consumers in the load centres. The Company's stellar performance found national recognition – it was adjudged the 'Best Performing Transmission Company'. The Company, with its broader mission to retain its position as 'the best power Transmission Company' in the country shall strive to conduct its business in an economically, socially and environmentally sustainable manner that is transparent and ethical and faithfully discharge its obligations as a responsible corporate citizen.

The Company has undertaken several technological innovations aimed at minimizing impact on natural resources and human habitat and cost effectiveness in evacuation of power from generating stations with a focus on long term sustainability.

WBSETCL is committed to

- Establishing and maintaining an efficient and effective 'Grid' with due regard to time, cost, technology and value addition,
  - Sustainable development through conservation of natural resources and adoption of environment friendly technology on principles of Avoidance, Minimisation and Mitigation;
  - Ensure safe, occupational hazard free and healthy work environment,
- to the satisfaction of stakeholders in all spheres of its activities and endeavour to continually improve its management systems and practices in conformity with legal and regulatory provisions.

### **4.0 WBSETCL'S APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY**

Transmission line projects are environmentally clean and do not involve any disposal of waste, effluents and hazardous substances on land, air and water. However, transmission line projects have some localized impact on villagers whose lands are acquired for construction of substations and on natural resources like crops & trees, whenever transmission lines pass through agricultural land or forest areas.

WBSETCL'S objective in discharging its corporate social responsibility obligations will primarily be aimed at empowering the local people to become economically self-sufficient through the provision of assistance in development of necessary infrastructure for improvement of health, education and skill acquisition.

The approach of WBSETCL towards Corporate Social Responsibility would hence be to identify and formulate CSR projects/ programmes for the well being of the inhabitants or the stakeholders directly impacted by the operations of the Company. Such stakeholders are generally located in the periphery of the commercial operations of the Company. For this reason, WBSETCL will accord priority to CSR activities in the neighborhoods around its areas of operation and new project sites. And implement them with full involvement and commitment in a time bound manner. In cases where other agencies / organizations are found to be already involved in such social welfare measures, the Company's approach would be to focus on collaborative partnership. It may also provide financial assistance in the form of grant-in-aid assistance, contribution, etc. to such entities, so as to achieve the desired socially beneficial objective in the targeted area in a more efficient and accelerated manner.

## **5.0 AIMS AND OBJECTIVES**

As a corporate entity, WBSETCL acknowledges its obligation to contribute to the economic development of the State and the country while improving the quality of life of its workforce and their immediate families as well as of the community and society at large. While undertaking statutorily required CSR projects / programmes within India, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on improving the quality of life. The Company also places emphasis on development of knowledge and skills in the young, both male and female, in order to make them economically productive.

WBSETCL views CSR activities as an interactive partnership between the Company and the targeted community, where resources and intent blend harmoniously for the upliftment of the community.

## 6.0 ACTIVITIES UNDER CSR

WBSETCL will endeavour to adopt an integrated approach to address societal and environmental concerns of the community by taking up a range of the following activities, which shall be taken up strategically, in a focused manner to the extent possible and allowed as per the CSR Policy. Activities which are ad hoc and philanthropic in nature shall be avoided. Activities mandated for Government shall also be avoided but WBSETCL can supplement such efforts by filling the resource gap and giving help to cross the last mile in goal achievement

The CSR activities of WBSETCL, will primarily be applicable to Project Beneficiaries (PB) and the Project Associated Areas (PAA) in the vicinity of the existing substations of different voltages and Transmission Line Projects/substations under execution and to be developed in future by WBSETCL.

The following activities will be undertaken under Corporate Social Responsibility:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) promoting 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;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- (v) 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) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;

- (viii) 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;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects.

## **7.0 PROHIBITED ACTIVITIES UNDER CSR**

The Company will abstain from carrying out following activities under CSR which may create dissatisfaction among any section of the Society:-

- I. Activities concerned with religion like construction of temple/mosque etc.
- II. Activities disturbing social harmony in any manner.
- III. Contribution of any amount directly or indirectly to any political party.

## **8.0 ADMINISTRATIVE SET-UP**

**8.1 CSR Committee of Board** comprising of three Directors including one Independent Director will be responsible for preparing a detailed plan on CSR activities to be undertaken by the Company in each financial year, outlining the expenditure to be incurred, the type of activities to be undertaken, roles and responsibilities of various stakeholders and shall institute a transparent monitoring mechanism for implementation of CSR Projects / Programmes undertaken by the Company.

### **8.2 Corporate Centre:**

A CSR Sub-Committee at the Corporate level will be responsible for co-ordinating CSR activities in WBSETCL. It shall also be responsible for compilation of information & preparation of annual reports and facilitate the processing of proposals received from Area Offices, FZOs, sub-stations, etc. for approval & allocation of funds by the CSR Committee.

### **8.3 Projects/Zonal headquarters:**

Based on the proposals of subordinate offices for conducting CSR activities, the HR department of Area Offices, FZOs, sub-stations etc. will prepare a comprehensive proposal of each activity and send it to the CSR Sub-Committee for approval and allocation of funds.

They will also compile status reports on ongoing and completed CSR activities undertaken within their jurisdiction and shall apprise the CSR Sub-Committee from time to time.

#### **8.4 Nodal Officer :**

CSR activities will be implemented through a nodal officer identified for this purpose and to be appointed at the Area Office level. The head of concerned Area Office/FZO/sub-station will be responsible for monitoring and overseeing implementation of CSR activities in his/her area of jurisdiction.

### **9.0 ADMINISTRATION OF SCHEME:-**

- 9.1 The activities proposed to be undertaken will be identified based on the needs of specific communities, as established, after discussions with the leaders of the target community and may change from time to time and location to location.
- 9.2 The HR department of Area Offices, FZOs, sub-stations etc. will prepare annual plan of CSR activities to be undertaken in their respective jurisdictions, including, if possible, budget estimate for such work. The proposal should reach CSR Sub-Committee by end of September each year for the activities proposed to be taken up in the next financial year. The CSR Sub-Committee shall review and vet each CSR activity proposal and thereafter place the proposal for approval of the CSR Committee.
- 9.3 Since undertaking CSR activities is not the core area of expertise of the Company, implementation of CSR projects will require identification of capable agencies/NGOs and other reputed and responsible organizations who undertake such activities and who may be engaged for implementation of the identified CSR activity on behalf of WBSETCL. The CSR sub-committee will be responsible for identifying agencies already undertaking work within West Bengal of the nature proposed to be undertaken by WBSETCL under the CSR policy, vet their performance through interviews/site visits and prepare a panel of approved parties whose services may be utilized to implement CSR activities and submit the same for approval to the CSR committee.

9.4 The CSR sub-committee will also examine and suggest for adoption to the CSR Committee, abbreviated procedures for implementation of CSR projects directly by WBSETCL so that the time taken from approval to implementation stage is minimized to the extent possible. However, the same is required to be done without compromising on the reliability of the execution agency and financial discipline.

## **10.0 REPORT :**

- 10.1 The Nodal Officer at each Area Office will be responsible for preparing a bi-monthly status report on the status of implementation of ongoing CSR schemes in his area, the scheduled and actual progress of work, the budgeted and actual cumulative expenditure incurred on each project till the end of the reporting period and reasons for variance, if any. The report will also state whether the benefits expected to be received from completed CSR schemes are continuing to be received by the targeted beneficiaries and if not, the reasons for the same.
- 10.2 Such bi-monthly reports shall be forwarded to the CSR sub-committee within the 15<sup>th</sup> of the third month for their review. The CSR sub-committee shall hold quarterly meetings to review the reports received from the Nodal Officers and decide on further course of action necessary to meet the deficiencies/shortcomings in project implementation.
- 10.3 The CSR sub-committee will prepare semi-annual report of CSR activities undertaken to the CSR Committee mentioning the activities undertaken, budget utilization, the benefits accrued to communities and the number of people benefited. Such report will also give details of any difficulties faced in implementation of any particular approved scheme and may also give alternative proposals of CSR activities that may be undertaken in that particular area in replacement of an existing approved scheme which cannot be implemented.
- 10.4 The CSR Sub-Committee will compile the reports received from the Area Offices, FZOs, sub-stations etc. and of CSR activities undertaken in Corporate Centre and prepare a comprehensive annual report for the Company, which will be placed to the



CSR Committee. Such report will also provide the reasons for which there was any shortfall in meeting the budgeted expenditure on any CSR project and the steps taken for removing implementation difficulties so that the desired social objective is achieved in a time bound manner.

- 10.5 The summary of the report will be published in print and also posted on the WBSETCL website under a separate dedicated section on Corporate Social Responsibility. The website will include the policy, the details of CSR activities undertaken or any other details.

### **11.0 MONITORING:**

The effectiveness of CSR activities will be evaluated by the CSR Committee with assistance from external agencies, if required, for getting required feedback and inputs to formulate & improve the CSR activities in future.

### **12.0 ALLOCATION OF FUNDS:**

- 12.1 The Board of the Company shall ensure that the Company spends, in every financial year at least two per cent of the average net profits of the Company made during the three immediately preceding financial years.
- 12.2 A major portion will be allocated for carrying out CSR activities in project affected areas.
- 12.3 Allocation of funds will be based on the proposals submitted and the overall availability of funds.
- 12.4. All expenditure incurred on the activities involved in the need assessment / baseline study, planning, implementation, monitoring and impact assessment of the projects will be included in the above budget.
- 12.5 In case of requirement of additional fund at Area Offices, FZOs, sub-stations etc. or Corporate Centre , the allocation of funds may be readjusted.
- 12.6 Surplus, if any arising out of the CSR projects or programmes of activities shall not form part of the business profit of the Company.

- 12.7 Unspent CSR budget of any year, if any, along with any surplus arising out of any CSR activity undertaken will be carried forward and shall be available for spending on CSR activities along with the budget for the succeeding year.

### **13.0 GENERAL**

- 13.1 The power to interpret, administer and right to minor modification/amendment to the policy shall rest with Managing Director whose decision shall be final and binding.
- 13.2 This Policy would serve as the referral document for planning and selection of CSR activities.
- 13.3 The power to modify / amend the CSR Policy will rest with the Board of Directors. The Managing Director will be responsible for the implementation of the CSR Rules framed in accordance with and in furtherance of the Policy, as approved by the Board.