

**MADHYA PRADESH STATE INDUSTRIAL  
DEVELOPMENT CORPORATION LTD.**

**(A GOVERNMENT OF M.P. UNDERTAKING)**

**“AVN TOWER” 192, ZONE-1, M.P. NAGAR, BHOPAL**

**(CIN- U74140MP1965SGC001008)**

**CORPORATE SOCIAL RESPONSIBILITY**

**(CSR)**

**POLICY**

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## **I. Objective**

The Corporate Social Responsibility Policy of the Company will focus on sustainable development of the society and environment and to make our planet better place for future generation. The CSR policy of M.P. State Industrial Development Corporation Limited aims at ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting. It aims at creating opportunities for employees to participate in socially responsible initiatives.

## **II. Areas/Activities**

To undertake all or any of such CSR activity(ies), directly/indirectly, relating to following projects/programs :-

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (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 art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- (viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or

- State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) rural development projects.
- (xi) slum area development. [slum area' means any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.
- (xiii) Such other activities as may be permissible under the Companies Act, 2013 and rules made there under.

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

Provided that

- 1) Contribution of any amount directly or indirectly to any political party shall not be considered as CSR activity ;
- 2) CSR activities does not include the activities undertaken in pursuance of normal course of business of a company;
- 3) CSR activities/projects/programs that benefit only the employees of the Company and their families shall not be considered as CSR activities.

### **III. Composition, quorum, frequency, Chairman of CSR Committee:**

The CSR Committee was constituted by the Board of Directors at its 304<sup>th</sup> meeting held on 3.11.2014 for ensuring the compliance of the provisions of Companies Act, 2013 and rules made thereunder which shall be reconstituted with the change of directors accordingly.

Two members present personally shall be the quorum for the meeting as per the decision of Board of Directors of MPSIDC held on 30.01.2019. The meetings of the Committee could be held at such intervals as may be required. The members of the Committee present at the Committee shall choose one amongst them to act as Chairman. The Company Secretary shall act as Secretary to the Committee.

### **IV. Role of the Committee:**

The role of the Committee shall be as follows:

- (a) Recommend the CSR Policy to the Board;
- (b) Identify the projects/activities to be undertaken by the Company for CSR
- (c) Recommend to the Board CSR activities to be undertaken alongwith detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
- (d) Monitor the CSR Policy of the Company from time to time;
- (e) Ensure compliance of CSR Policy;
- (f) Such other functions as may be delegated by the Board from time to time.

**V. Quantum of amount to be spent on CSR activities:**

1. The Company will spend for annual CSR activities, an amount equal to 2% of the average net profits of the Company made during the three immediately preceding financial years calculated as per the provisions of the Companies Act 2013 and rules made thereunder and amended from time to time.
2. Any surplus arising out of the CSR activities shall not form part of the business profit of the company and same shall be spent for undertaking any CSR activities only.

**VI. Governance**

1. Based on the amount to be spent towards CSR, the Committee will select the CSR activity/project to be carried out during the financial year as per CSR policy. The Board will consider and approve such CSR activity/project with any modification, if any that may be deemed necessary.
2. The CSR Committee may assign the task of implementation of the CSR Plan to such persons or bodies as it may deem fit.
3. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct.
4. The CSR Committee shall review the implementation of the CSR Programmes and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
5. The reports on CSR programmes and Expenditure to be submitted to CSR Committee who shall review such reports and keep the Board apprised of the status of implementation of the same.

6. The CSR Committee will report the details of CSR initiatives & activities of the Company in the Director's report as required under the rules/regulation. CSR Committee will issue a responsibility statement signed by the Chairman of CSR Committee and Managing Director that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Corporation.
7. If the Corporation fails to spend the specified amount for CSR activities the Board must specify the reasons for inability to spend the said sum in the Annual Report on CSR activities.

## **VII. Geographic Reach**

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. The Company will conduct CSR activities in the state of Madhya Pradesh. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

## **VIII. Amendments to the Policy:**

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.

## **IX. Implementation:**

The Board of M.P. State Industrial Development Corporation Limited may decide to undertake its CSR activities approved by the Committee through itself or through implementing agencies as specified in the rules having an established track record of 3 years in undertaking the similar programmes or projects.