

POWERGRID CSR & Sustainability Amended Rules

1. **Short title and commencement:** These rules may be called the “POWERGRID CSR & Sustainability Rules” and shall come into effect from 1st April 2021.
2. For rule 2, the following rule shall be substituted, namely:

Definitions: In these rules, unless the context otherwise requires,

- i) "Act" means the Companies Act, 2013 (18 of 2013);
- ii) “Administrative overheads” means the expenses incurred by the POWERGRID for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme. Administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year;
- iii) "Annexure" means the Annexure appended to these rules;
- iv) “Corporate Social Responsibility (CSR)” means the activities undertaken by a POWERGRID with the approval of competent authority as per its declared “CSR & Sustainability Policy”
- v) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
- vi) "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- vii) “International Organisation” means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;
- viii) “Net profit" means the net profit of POWERGRID calculated under section 198 of the Act, but shall not include the following, namely: -
 - (a) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - (b) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

- ix) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
- x) "Public Authority" means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);
- xi) "section" means a section of the Act.
- xii) "Corporate CSR&S Committee" means the committee constituted at Corporate Centre, consisting of representatives from Corporate CSR, Corporate HR and Corporate Finance, of executives not below the rank of General Manager, who shall examine the CSR proposals submitted to them and submit their recommendation for approval of the Competent Authority at Corporate Centre;
- xiii) "Corporate CSR&S Nodal Officer" means the executive responsible for coordinating the CSR&S initiatives of POWERGRID, from concept to completion stage;
- xiv) "Major Project" means CSR & S project amounting more than Rs.100 Lakhs;
- xv) "Project" means CSR&S project approved by the competent authority in POWERGRID;
- xvi) "Regional CSR&S Committee" means the Committee constituted at Regional headquarter (RHQ), consisting of representatives from Regional CSR/HR, Finance and Technical (Preferably from Engineering/PE&SM/AM Department);
- xvii) "Regional CSR&S Nodal Officer" means the executive responsible for coordinating the CSR&S initiatives in the regional sites;

3. Philosophy of CSR& Sustainability

Corporate Social Responsibility & Sustainability (CSR&S) activities of Power Grid Corporation of India Limited (POWERGRID) are focused towards initiatives that promote inclusive growth and addresses the basic needs of the society, with a focus on the under privileged and weaker sections, primarily residing around its

areas of operation. The geographical limits of the respective district, where POWERGRID has its presence shall be considered as “local area” for CSR&S activities. POWERGRID’s approach to CSR&S interventions is guided by its commitment to do the business in a sustainable manner adhering to the principles of Avoidance, Minimization and Mitigation.

4. Targeted Geographic Area

- i) CSR&S projects or programs or activities will be undertaken in India only.
- ii) POWERGRID’s target areas for CSR&S intervention primarily shall be the area around its operation. However, CSR&S committee may also approve projects in other area if the project is relevant to the respective local or in national context.
- iii) Every activity within the project has to be specifically & geographically located for easy identification and to avoid duplication of the projects.

5. Targeted Beneficiary

- i) The activities undertaken under CSR&S shall be directed towards addressing the basic needs of the weaker sections of the society, scheduled caste, scheduled tribe, other backward caste, minorities, Below Poverty Line (BPL) population, old and aged, women/girl child, physically challenged, economically weaker sections, etc.
- ii) All CSR&S activities of POWERGRID shall aim towards sustainability in entirety in line with CSR&S policy.

6. CSR & S Activities

- i) The activities undertaken under CSR&S shall be consistent with the clause 135 of the Companies Act 2013. It is to be ensured and evaluated that the CSR&S project shall be in compliance to the Schedule VII of the Companies Act, 2013 as well as POWERGRID’s CSR&S policy.
- ii) The following activities shall not be considered as CSR&S activity:
 - a) The activities undertaken in pursuance of normal course of business of POWERGRID.
 - b) any activity undertaken by POWERGRID outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;

- c) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019).
 - d) Activities taken up under R& R (Rehabilitation and Resettlement) projects of POWERGRID.
 - e) Contribution of any amount directly or indirectly to any political party.
 - f) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - g) activities carried out for fulfilment of any other statutory obligations under any law in force in India;
 - h) Activities which the board considers ad hoc and philanthropic in nature.
- iii) An indicative list of activities to be undertaken within the thrust areas of POWERGRID's CSR&S Policy and Schedule VII of the Companies Act 2013, are attached at **Annexure-I**. Few activities may address multiple thrust areas, however, the scope of activities may get changed according to the circumstances and the future context.
- iv) No project/activity shall be awarded without in-principle approval of the competent authority.
- v) All CSR& S activities shall be undertaken in project or mission mode.

7. CSR &S budget

- i) CSR& S budget for a financial year shall be 2% of the average net profit made during the three immediately preceding financial years as laid down under the provision of Section 198 of the Companies Act, 2013.
- ii) The CSR&S budget is not lapsable.
- iii) The Board of POWERGRID shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect

8. CSR Expenditure

- i) POWERGRID shall be required to spend annually its prescribed CSR budget.

- ii) If POWERGRID fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount [and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year].
- iii) If POWERGRID spends an amount in excess of the requirements, POWERGRID may set off such excess amount upto immediate 03 succeeding financial years and in such manner, as may be prescribed.
- iv) Any amount remaining unspent pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by POWERGRID in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the POWERGRID within a period of thirty days from the end of the financial year to a special account to be opened by POWERGRID in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by POWERGRID in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, POWERGRID shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- v) Until a fund is specified in Schedule VII for the **purposes of sub- section (5) and (6) of section 135** of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.”.
- vi) CSR expenditure shall include all expenditure including contribution to corpus for project or programs relating to CSR activities approved by the board on the recommendation of its CSR committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
- vii) Expenditure on building CSR&S capacities of own personnel as well as those of its implementing agencies through institution with established track record of at least three financial year, shall not exceed five percent of total CSR expenditure of POWERGRID in one financial year.

9. CSR Implementation. –

- (1) The Board shall ensure that the CSR activities are undertaken by the POWERGRID itself or through -
 - a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c) any entity established under an Act of Parliament or a State legislature; or
 - d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- 2) There must be a unique CSR Registration Number for every entity, covered under sub-rule (1), who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021:
Provided that the provisions of this sub-rule shall not affect the CSR projects or programmes approved prior to the **01st day of April 2021**.
- (3) A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
- (4) POWERGRID may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- (5) In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period”.
- (6) Projects can be implemented through in-house means procurement through GeM of DGS&D and/or by awarding of supply/work contract and following the POWERGRID’s Works and Procurement Policies and Procedures and the Delegation of Power.
- (7) External agencies, preferably government agencies, can also be engaged as

consultant on Engineering Procurement and Construction (EPC) consultancy basis, for turnkey execution of the project.

- (8) Projects may also be executed on “Deposit Work Basis” through District/State Government agencies like Public Works Department (PWD), Rural Engineering Department, District Rural Development Agency (DRDA), etc.
- (9) For (7) & (8) above Memorandum of Understanding (MoU) shall be signed with such institutions/departments before release of funds for taking up the implementation of the project/activity and payment shall be released in suitable installment as per mutual understanding, and as approved by competent authority in POWERGRID.
- (10) The aspects related to planning, approved specifications, vetted cost estimates, approved quality standards/ field quality plans, monitoring, quality assurance/supervision and impact assessment must be addressed adequately without ambiguity.

10. CSR&S Policy

- a) POWERGRID has formulated its CSR and sustainability policy, in compliance with the Companies Act, 2013, DPE guidelines and CSR rules, which shall serve as referral document for planning and selection of CSR&S activities.
- b) The CSR&S policy of POWERGRID provides directions and framework towards CSR&S activities, administrative set up with the roles and responsibilities, mode of execution of projects, monitoring process, Reporting and CSR&S entire functioning.
- c) Planning, implementation, monitoring process of CSR&S project or programs shall be consistent with the CSR&S policy of POWERGRID.
- d) Any surplus arising out of the CSR&S projects shall not form part of the business profit of the organization.

11. Governance Mechanism

The roles and responsibilities of CSR Board Level Committee, important functionaries/bodies, reporting Structure, organization setup for governing the projects in all of its phases is given here under:

- a) **CSR Board level committee:** There shall be a CSR committee consisting of three or more Directors, out of which at least one Director shall be an Independent Director. The committee will institute a transparent assessment, approval, monitoring & implementation mechanism for CSR&S projects or

activities undertaken by the company.

- b) **Corporate/Regional CSR&S Standing Committee:** There shall be a Corporate CSR&S committee constituted at Corporate Centre, consisting of representatives from Corporate CSR&S, Corporate HR and Corporate Finance, of executives not below the rank of General Manager, who shall examine the CSR&S proposals submitted to them and submit their recommendation for approval of the Competent Authority at Corporate Centre. Similarly, there shall be a CSR&S committee in every region which shall comprise of executive not below the rank of Deputy General Manager from Regional HR, Finance and Technical (Preferably from Engg/PE&SM/AM Department). The Regional CSR&S Committee shall evaluate every proposal which is placed before them and submit their recommendation / observation for further needful action.
- c) **CSR&S reporting Structure:** The Corporate CSR&S department shall report to Director (Personnel). Head of the Region shall be responsible for conceiving, monitoring, execution, budget utilization and impact assessment of the CSR&S projects in their Region. The Regional Head shall be assisted by Head of Asset Management and the Regional CSR&S Nodal Officer and his/her team of officials. Indicative CSR&S Set up in the Region/ Projects is given in **Annexure-II**.
- d) **CSR&S Nodal Officers:** The Head of CSR&S department at Corporate Centre shall be the POWERGRID CSR&S Nodal Officer. The Regional Head of HR shall be the Regional CSR&S Nodal Officers and shall report to the Regional Head through Head of Asset Management. The Regional CSR&S Nodal officer shall be assisted by a team of officials exclusively looking after the CSR&S function of the Region. The Regional CSR&S Nodal Officer shall be responsible for coordinating for conceiving, monitoring, execution, budget utilization and impact assessment of the CSR&S projects in the Region.
- e) **Officer-in-Charge of Project:** Every project shall have an executive designated as its Officer-in-Charge, which will be in addition to their existing assignment. The Officer-in-charge shall be responsible for execution, monitoring, reporting, settlement of bills, etc. and shall strive for timely completion of the project. The Officer-in- Charge shall be supported by team of

officials at project sites towards this end.

12. Annual CSR&S Action Plan:

The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR policy, which shall include the following, namely:

- a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- c) The modalities of utilization of funds and implementation schedules for the projects or programmes;
- d) Monitoring and reporting mechanism for the projects or programmes; and
- e) Details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

13. Implementation structure

A. Project selection

Irrespective of the financial value of the project, efforts shall be towards selection of those activities which have a tangible socio-economic impact on the community. Any such activity thus identified under CSR&S shall be executed as project with specified time frame & detailed time lines and have a pre-planned exit plan for every project.

B. Need Assessment & Baseline Survey

- (i) The aims & objectives of the CSR&S projects shall be clear and relevant to the identified needs of the community.
- (ii) The communities intended to be benefitted shall be consulted in the process of identifying, planning and implementation of the CSR&S activities. The need of the project/activity in the proposed area shall be clearly defined and documented in the project proposal. A Baseline survey report for the respective CSR&S project shall be submitted along with the project

proposal.

- (iii) Any CSR&S project shall be directed toward addressing real needs of community, hence, accurate assessment of need is an essential pre-requisite to project design, monitoring, evaluation and impact assessment. Based on need assessment, projects will be prioritized, assessed and granted approval.

C. Project proposal formulation

- (i) All CSR&S project proposals shall be uniformly initiated based on the defined checklist as given in **Annexure-III** of these rules.
- (ii) Every project after approval shall have a unique project identity code (e.g.SR- 2021001), generated as WBS definition for ERP, through which it will be identified for ease of data management, monitoring and reporting. The project identity code (Project Definition and the WBS definitions) shall be provided by Corporate CSR&S department.
- (iii) The expected outcomes shall be clearly defined for each programme to facilitate impact assessment of the project on its completion.
- (iv) Proposals submitted by Site offices/RHQ shall be examined and recommended by Regional Level CSR & Sustainability Committee and submitted to Corporate Centre through Regional Head after vetting of drawings, specification & cost estimates by Regional Engineering Department and concurrence by Finance department.
- (v) Due-diligence is to be undertaken at all stages to optimize the cost vis-à-vis the desired outcome.
- (vi) The aspects related to planning, approved specifications, vetted cost estimates, approved quality standards/ field quality plans, monitoring, quality assurance /supervision and impact assessment must be addressed adequately without ambiguity. Further, payment terms/time schedule must be made part of any CSR&S project MoU to the extent possible.
- (vii) Role and scope of project monitoring by POWERGRID or third party appointed by them must also be part of such MOUs.
- (viii) Corporate Contract Service department/Regional Contract Service department, as applicable, shall be involved while finalizing MoU for execution of a CSR project. A standard format of MoU for similar nature of

CSR project shall be devised. In case any deviation is necessitated in such standard format of MoU depending on requirement of a project, Corporate Contract Service department/Regional Contract Service department, as applicable, shall be involved to review and recommend its view on such deviation.

D. Sanction/Approval of CSR&S projects:

Authority	Extent of Power Delegated
CSR Committee (Board Level Sub-committee on CSR)	Full Powers (Projects more than Rs.200 Lakhs)
Chairman & Managing Director	Each project upto Rs.200 Lakh subject to an annual ceiling of 50% of overall CSR budget in a given financial year.
Director (Personnel)	Each project upto a maximum of Rs.10 Lakh per case subject to a ceiling Rs.5 crore per annum.
ED (Region/Projects/CSR&S)	Each project upto a maximum of Rs.5 Lakh per case subject to a ceiling of Rs.20 Lakh per annum.

- (i) All CSR&S proposal initiated/submitted at CC shall be routed through Corporate CSR&S committee.
- (ii) The sanction will be subject to recommendation of the Regional CSR&S committee, technically cleared by Regional Engineering, Head of Region/Project and shall be in consultation with Finance. The proposal shall be as per the provisions of the Companies Act, 2013, Companies (CSR Policy) Rules,2014 as amended from time to time and Government guidelines as and when these are in place and made enforced and POWERGRID CSR&S Policy.
- (iii) All approved proposals shall be put up to CSR Committee (Board Level Sub-Committee on CSR) and Board of Directors for ratification.

E. Delegation of Power

CSR&S projects shall be covered under Section X of the Delegation of Power issued by Company Secretary vide Office Order No.88/2018 dated 19.02.2018 as

amended from time to time.

14. Monitoring and evaluation

- a) To ensure the Quality and timely progress of CSR&S project, every project will be reviewed and monitored periodically.
- b) The Officer-in-charge will adhere to quality standards as per the Field Quality Assurance (FQA) plan of POWERGRID/Consultant, wherever the work is executed in-house or through consultancy assignment, as the case may be. For projects, which are executed through the State Government/State Government Body, the Field Quality Plan (FQP) of the concerned State Government/State Government body is to be obtained and random checks undertaken by POWERGRID to confirm its compliance as per design/drawings/specifications & quality plan. If any technical discrepancy is observed in FQP/Standards of such departments then FQP of POWERGRID/BIS standards/CPWD specifications or any other suitable standard shall be followed.
- c) The Officer-in-charge shall submit the fortnightly progress monitoring report with fairly accurate data about the physical progress & quality of the works of the projects in the prescribed format at **Annexure-IV** to the Regional CSR&S Nodal Officer and the Regional CSR&S Nodal Officer will in turn submit a consolidated report to Corporate CSR&S department in the prescribed format at **Annexure-IV** by the by 3rd and 18th day of every month.
- d) The Officer-in-charge shall submit the monthly MIS report with fairly accurate data about the physical and financial progress of the projects in the prescribed format at **Annexure-V** to the Regional CSR&S Nodal Officer.
- e) The Regional CSR&S Nodal Officer shall in turn submit a consolidated report to Corporate CSR&S department in the prescribed format at **Annexure-V** by the 7th of every month.
- f) The financial data for each project (Utilization as well as advance) shall be confirmed from the books of accounts while recording the same in the MIS by the Regional CSR&S Nodal Officer.
- g) Details of the expenditure on CSR&S during the financial year, with
 - i. details of CSR amount spend to be categorised in “ongoing projects” and “other then ongoing projects”

- ii. Details of Unspent CSR amount for 3 preceding F.Y
 - iii. Details of CSR amount spent in F.Y for “ongoing projects” of the preceding F.Y’s. shall be submitted by each Region, in the format at **Annexure-VI**, immediately after declaration of the Audited Annual Financial Result of the Company.
- h) Every CSR&S Projects will be reviewed;

A.	Weekly	Review by Nodal officer
B.	Fortnightly	Review by Regional Head and a fortnightly progress report shall be submitted to Corporate CSR&S department by Regional Nodal Officer
C.	Monthly	Review by Corporate CSR&S department based on MIS submitted by Regional Nodal Officer.
D.	Quarterly	Review by Director (Personnel) based on the MIS submitted by Corporate CSR&S department. Report/MIS on all the Projects shall be put up to CSR&S committee and Board of the Directors of the company.

- i) It is to be ensured that each project/ site/equipment/installations provided under POWERGRID CSR interventions shall have POWERGRID signage to be marked after completion of the project for visibility of POWERGRID’s contribution toward the project. An indicative signage is given in **Annexure-VII** of these rules.
- j) Senior Officials on site visits will strive to visit at least one project site where CSR&S project has been implemented / being implemented.
- k) Regional FQA department will undertake random quality checks as per FQP of the project and submit their summary report to Corporate QA&I department for review.

15. Documentation and Data Base:

- a) All the projects shall be properly documented at the Site level with copies of approvals/bills/photographs/correspondences/testimonials, etc. so as to

facilitate audit of the project, if any.

- b) After approval of a project, Project Definition and WBS shall be allotted by Corporate CSR&S department for filling up the basic data in the ERP module from the information available in the proposal.
- c) The balance data in the ERP shall be filled up by the Regional Nodal Officer in consultation with the Officer-in-charge of the project.
- d) The periodic data shall be updated in the ERP by the Regional Nodal Officer progressively in consultation with the Officer-in-charge.
- e) Corporate CSR&S department shall maintain the consolidated data provided by the Region.

16. Impact Assessment

It shall be the endeavor to assess the impact of every CSR&S project undertaken for which have been completed not less than one year before undertaking the impact study. However, it shall be mandatory to assess the impact of every project which cost more than 5 lakhs.

- a) POWERGRID shall undertake impact assessment, for the which have been completed not less than one year before undertaking the impact study For projects above Rs.1 Crore, the impact assessment shall be done through an external agency.
- b) POWERGRID undertaking Impact Assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less”.
- c) For projects costing below Rs.1 Crore, impact assessment shall be done by an executive, not below the rank of Chief Manager, from a different Substation/Project to dispense of the issue of conflict of interest.
- d) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

An indicative checklist to undertake the impact assessment of the CSR & S projects is given in Annexure **VIII**.

17. Closure report

All projects after completion shall follow up with a closure report so as to formally

close the project. An indicative checklist of closure report of the projects is given in **Annexure-IX.**

- a) There shall be appropriate documentation of every CSR&S project and after completion a detailed project completion report has to be prepared covering details of executing partner, time frame, Expenditure details along with the photographs, comments/appreciation letter from the beneficiaries and retained in the file duly signed by the Officer-in-charge of the project and the Regional CSR&S Nodal Officer. A summary statement shall be submitted to Corporate CSR&S for updating the records.
- b) The completion and impact assessment report shall include photographs/Video clippings (preferably before and after completion of the project). The photographs shall be action oriented with appropriate branding of the Company's CSR&S initiative including company logo, name, etc. displayed in the background.

18. Communication

- a) The Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable.
- b) In case of a foreign company, the balance sheet filed under clause (b) of sub-section (1) of section 381 of the Act, shall contain an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable.
- c) The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.
- d) For projecting the company's contribution and for visibility of the organization on its CSR&S endeavors, appropriate measure shall be adopted using all communication tools/ media etc.
- e) Annual CSR&S Report shall be centrally published by Corporate CSR&S department, for which necessary inputs along with high resolution photographs will be provided by Regions.
- f) Corporate Communication department will prepare documentaries/publicity materials/leaflets to disseminate the CSR&S initiatives of POWERGRID

amongst the stakeholders.

19 Applicability to CSR activities of POWERGRID subsidiaries companies

- a) With the advent of TBCB mode of acquisition of new Transmission System projects, a number of 100% owned subsidiaries of POWERGRID have been secured and all these companies are independently governed by the provisions of the Companies Act 2013. Accordingly, in compliance to the Companies Act 2013, these companies may have to frame their CSR policy and undertake CSR activities.
- b) As these subsidiaries Companies are wholly owned and controlled by POWERGRID, these rules would apply to all CSR & S activities undertaken by the company on behalf of its subsidiaries.

20 General

- a) These Rules shall stand modified by the provisions of the Companies Act 2013/ Companies (CSR Policy) Rules 20 (Notified by the Ministry of Corporate Affairs vide dated 2.20), along with Companies (CSR Policy) Amendment Rules 2021 as amended from time to time and Government guidelines as and when these are in place and made enforceable.
- b) These Rules shall serve as the referral document for planning, selection, monitoring and implementation of CSR&S activities, though, whenever in doubt, cross reference to Companies Act 2013 & Companies (CSR&S Policy) Rules 2014 (issued by the Ministry of Corporate Affairs vide notification dated 27.02.2014) along with Companies (CSR Policy) Amendment Rules 2021 notified on 22.01.2021, other guidance used by DPE/Ministry time to time, is advised to avoid any inconsistency with the latter.

Thrust Areas and Scope of activities under schedule VII

Thrust areas	Alignment with CSR activities mentioned under Schedule VII, Companies act	Scope of activities/ Intervention
Promoting Health	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	<ul style="list-style-type: none"> i) Creating/Augmenting infrastructure in Hospitals / Healthcare Centers for patients / attendants ii) Health checkup Camps/Blood donation camps/vaccination camp iii) Providing Ambulances iv) Improving Medical Infrastructure in (SHC/PHC/CHC),Hospitals and clinics v) Measures for combating malnutrition/ Improving diet and nutrition vi) Awareness camps regarding illness/ yoga camps/organ donation, etc. vii) Promoting and distributing Sanitary Napkin
Promoting Education	Promoting Education especially among children, women, elderly and the differently abled	<ul style="list-style-type: none"> i) Improving Infrastructure in Schools/ College/Educational Institutions, like construction of class rooms/ Laboratories/ toilets/ drinking water facilities/ sports facilities/ Halls/ Auditorium/Reading Room etc. ii) Construction of Hostels iii) Providing Scholarship/Financial Assistance to students belonging to the financially weaker section of the society iv) Inclusive education programs for mentally and physically challenged children/persons
Women Empowerment	Promoting gender equality, empowering women, setting up homes and hostels for women	<ul style="list-style-type: none"> i) Providing of facilities including construction of infrastructure exclusively for women ii) Skill Development training for women

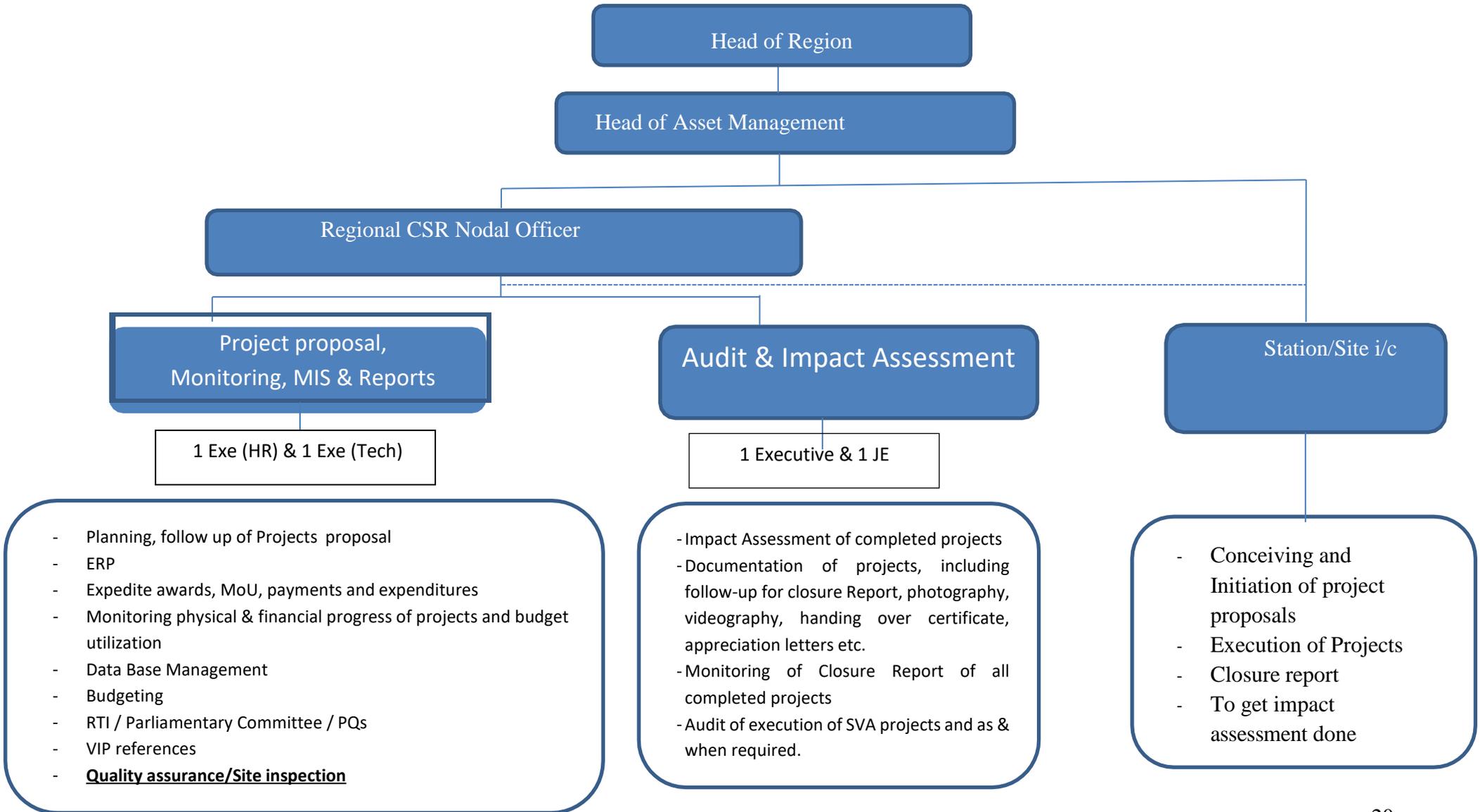
		iii) Forming SHG and other such groups exclusively for women
Environment	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	<ul style="list-style-type: none"> i) Afforestation/Tree plantation ii) Green belt development iii) Check Dams/Rain Water harvesting iv) Renovation and restoration of Ponds and water bodies v) Animal Welfare vi) Conservation of Water vii) Watershed management programmes viii) Contributing funds to “Clean Ganga Fund” ix) Replacing conventional lighting system with LED lighting solutions x) Installation of system enabled through renewal energy xi) Setting up of animal shelters/biogas plant xii) Setting up of Electric/CNG crematorium
Promoting Art and Culture	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	<ul style="list-style-type: none"> i) Restoration/repair and rehabilitation / maintenance of sites of historical importance/heritage structures ii) Adopting Heritage site iii) Promotion and development of Traditional art, Handicrafts, Culture Traditions and Values.
Social Welfare	Measures for the benefit of armed forces veteran, war widows and their dependents, homes and hostels for 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.	<ul style="list-style-type: none"> i) Scholarship to wards of armed force veterans/war widows ii) Training and skill development training to armed force veteran/Wards of armed force veterans, war widows and their dependents iii) Rehabilitation of old age people/mentally and physically challenged population iv) Old age homes, child rehabilitation homes etc.

Promoting Sports	Training to promote rural sports nationally recognized sports and Paralympic sports and Olympic sports	<ul style="list-style-type: none"> i) Improving sports infrastructure ii) Providing sports material iii) Sponsoring training of talented youths
Sanitation	Sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	<ul style="list-style-type: none"> i) Construction of Toilets ii) Construction of drainage system iii) Providing Drinking water facilities iv) Burning Ghat / Crematorium v) Providing Potable drinking water vi) Improving sanitation facilities at public places vii) Providing dustbins / Garbage Collection van viii) Garbage collection and Waste management programs ix) Sewerage Treatment plant
Skill development	Employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	<ul style="list-style-type: none"> i) Imparting skill development training ii) Creation of Infrastructure for imparting skill development iii) Supply & Installation of Tools & plants for skill development training iv) Providing coaching for exams v) Creating and supporting self-help groups
Contribution of Funds	<ul style="list-style-type: none"> i) 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 ii) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government 	<ul style="list-style-type: none"> i) Contribution to funds set up by the government for any social cause. ii) Setting up of Technology Incubator in academic/research institutions

Rural Development	Rural Development Projects	<ul style="list-style-type: none"> i) Installation of Street Lights ii) Construction of Road/Drains Culverts/Bridges iii) Community Center/Panchayat Ghar iv) Construction of Shed at Bus stand/ Public Places v) Digging/Renovation of Wells.
Slum Area Development	Slum Area Development	<ul style="list-style-type: none"> i) Improving Infrastructure at slums ii) Construction of toilets/drinking water facilities/schools/health centres etc. iii) Improving sanitation and drainage in slums
Contribution to Incubators	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	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)
Disaster Management	Relief, Rehabilitation, and Reconstruction activities	<ul style="list-style-type: none"> i) Immediate relief work ii) Restoration works
COVID-19	Precautionary all measures for COVID-19 and healthcare system development	<ul style="list-style-type: none"> i) Awareness on COVID-19 ii) Healthcare infrastructure development activities iii) Precautionary measures

(ANNEXURE II)

Regional CSR&S Setup



(ANNEXURE III)

21 Point Checklist for framing Project Proposal

Sl. No.	Particulars	Remarks
1.	Overview of the project proposal	
2.	Need Assessment & baseline study	
3.	Expected accrued benefits of the project	
4.	Thrust area of CSR&S activities, based on Companies Act 2013.	
5.	Unique CSR Registration no. of Implementing agency	
6.	Sustainability of the project: Modus operandi of transfer and O&M of the project after completion.	
7.	Geographical distance of the proposed CSR&S projects from POWERGRID installation i.e. line / substation / telecom installation etc.	
8.	Details of the ownership of the land/property/installation where the scheme is being implemented	
9.	Recommendation of the Local Administration, Gram Panchayat, Gram Sabha, POWERGRID Office, etc. if any	
10.	In preceding 03 years CSR projects approved/executed by POWERGRID in this district. (Project name, sanctioned cost, actual status of project)	
11.	Targeted beneficiary: Population benefitted by the proposed project. (Breakup of SC, ST, OBC, Minority, PH, General, if possible. If not at least a general description of the majority of beneficiary with approximate number of beneficiaries)	
12.	Nos. of villages/towns/districts to be benefitted	

13.	Estimated cost of the project	
14.	Basis of cost estimate: CPWD / DSR specification etc., budgetary quotation, Market survey etc.	
15.	Detailed time line of Project MOU/LoA issuance Execution time target Undertaking for execution detail timeline from implementing partner	
16.	In case of long term project: Duration of Project vis-à-vis Year-wise allocation of the CSR&S budget	
17.	(i) Certification as to whether the proposed project has not been financed from any source (ii) In case any other agency/company is also financing the proposed project then the name of the funding agencies along with its contribution for the proposed project	
18.	Confirmation that the project has not been sanctioned or planned under any scheme whether by govt./ corporate / private etc.	
19.	Details about the implementing agency of the proposed CSR&S project.	
20.	Details about the instrument for implementation of the project. i.e. through MOU / LOA etc.	
21.	If the proposed project is to be executed through an NGO, compliance of all items check list should be adhered to before submission of the proposal to Corporate ESMD, CSR & LA Department. (Annexure-I)	

(ANNEXURE IV)

Fortnightly physical progress report

Region: _____

Period:
:

1st
fortnight/

Month: _____

2nd fortnight

Sl.No.	Project Definition /WB S	Name of the project	Location	Sanctioned Cost	Engineer/Officer i/c of the Project	Mode of Implementation (POWERGRID /MoU)	Name of the Implementing Agency	Tender floated (Yes/ No)	Bid Opening Date	Date of Award/MoU	Specific Physical progress status(MoU Signing/NIT/ B oD/ Award/ Construction stage (Plinth/Roof/ Finishing)

(ANNEXURE V)

MIS report format

Region/Projects

1	2	3	4	5	6	7	8	9	10	11	Current year Expenditure (A)				16	17	18	19	20	21	22
											12	13	14	15							
WBS No.	Year of Sanction (FY)	Thrust area as per schedule-VII	Region	State	District	Project Details	Sanctioned Amount (Rs./lakhs)	LOA/Actual Amount (Rs./lakhs)	Fund allocation for current FY	Current advance	Q1	Q2	Q3	Q4	Total expenditure (till previous FY) (B)	Cumulative expenditure C= (A)+(B)	Implementation Schedule	Manner of execution / Implementing Agency	Modalities of Utilisation of funds	Name of Officer In charge & Contact no.	Remarks

(ANNEXURE VI)

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES
TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL
YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate

5. Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1			

2			
3			
	TOTAL		

6. Average net profit of the company as per section 135(5).
7. (a) Two percent of average net profit of the company as per section 135(5)
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
- (c) Amount required to be set off for the financial year,
if any
- (d) Total CSR obligation for the financial year (7a+7b- 7c).
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
-----	-----	-----	-----	-----	-----	-----	-----	-----	------	------

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State.	District.						CSR Registration number.
1.											
2.											
3.											
	TOTAL										

(c)Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.									
2.									
3.									
	TOTAL								

- (d) Amount spent in Administrative Overheads
- (e) Amount spent on Impact Assessment, if applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairman CSR Committee).	Sd/- [Person specified under clause (d) of sub- section (1) of section 380 of the Act] (Wherever applicable).
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(ANNEXURE VII)

Indicative Signage



पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

सी . एस . आर . (CSR) के सौजन्य से

क्रम. सं. : _____ स्थान: _____

अनुरक्षण हेतु टोल फ्री नंबर: _____

क्रियान्वयन संस्थान :

(ANNEXURE VIII)

Impact Assessment of CSR & Sustainability Project

1. Name of the Project:
2. Place:
3. Area (Backward as per BRGF/General):
4. Date of Approval of project:
5. Date of Completion/Handing over:
(in case of more than one project/activity, indicate separate dates for different projects/activities)
6. Objective of the project:
7. Estimated no. of beneficiaries (with bifurcation SC/ST/OBC/General):
8. Name of the executing agency:
9. Estimated cost of Project:
10. Award/MoA value:
11. Final Cost of Project:
12. Extent of objective met from the project
(Assessment of CSR intervention in consultation with targeted beneficiaries/local community/key stakeholders; Key needs addressed; Key outputs (Quantification of facility/services/infrastructure created); Outcome/short term Impact/long term impact of project/Activity relevant to the need of the community):
13. Attach photographs (covering important aspects/POWERGRID LOGO/Name):
14. Attach documents i.r.o. advertisement/publicity/newspaper coverage/feedbacks from participants etc.)
15. Attach handing over certificate(s):
16. Feedback of local people/panchayat/Govt. officials (attach documents if any):
17. Feedback of POWERGRID/Implementing agency regarding issues faced during implementation of project, solution adopted & suggestions for future projects (if any):
18. Any other information/data:

(ANNEXURE IX)

Closure Report of CSR & Sustainability Project

Sl. No.	Description	Remarks
1	Name of Project	
2	Location of the Project (With GPS Co-ordinates)	
3	Objective of the Project	
4	Date of Approval	
5	Date of Completion	
6	Targeted beneficiary and their breakup (SC/ST/OBC)	
7	Estimated Cost	
8	Final Completion Cost	
9	Scope of Project as Completed	
10	Scope of Change, if any	
11	Execution Agency	
12	Engineer In Charge for the Project	
13	Handing Over Documents	
14	High Resolution Photographs of CSR&S Initiatives, inaugural/handling over functions, etc. (with date and location details)	
15	Targeted date for impact assessment of the Project (Impact assessment to be Completed within 6 months of completion of projects)	
16	Any Other Information	