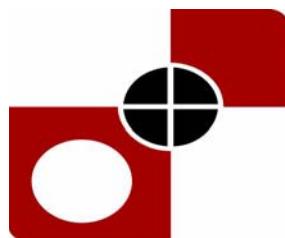


# **SPMCIL Corporate Social Responsibility and Sustainability Policy**



**SPMCIL**

**Security Printing & Minting Corporation  
of India Limited**

Miniratna Category-I CPSE  
(Wholly owned by Government of India)

16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-1100 01  
Ph.: 011-23701225-26, Fax: 011-23701223  
Email: [info@spmcil.com](mailto:info@spmcil.com), Website: [www.spmcil.com](http://www.spmcil.com)

**1. Introduction:**

CSR is the organization's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders. Corporate Social Responsibility in SPMCIL is a continuing commitment to behave ethically and contribute to harmonious and sustainable development of society and planet through business, while improving the quality of life of the community and the society.

SPMCIL came out with a policy on CSR in 2009 way before the issue of guidelines by Department of Public Enterprises (DPE) in 2010. DPE issued detailed guidelines for Sustainable Development in September, 2011. Due to separate guidelines, CSR and Sustainable Development were treated as two separate subjects, which posed practical difficulties in reporting overlapping activities. Considering this problem, DPE issued fresh Guidelines by clubbing together CSR and Sustainable Development guidelines in January 2013 under the title of "Guidelines for Corporate Social Responsibility and Sustainability for CPSEs" which came into effect w.e.f. 1<sup>st</sup> April 2013. SPMCIL revised its CSR Policy in 2013 accordingly. Section 135 of the Companies Act, 2013 which deals with the CSR activities has been made effective w.e.f. 1<sup>st</sup> April 2014. The Companies (CSR Policy) Rules, 2014 have also been made effective w.e.f. 1<sup>st</sup> April 2014. The CSR and Sustainability Policy of SPMCIL is being revised anew to make it compliant with the provisions of Companies Act, 2013 and the corresponding rules and guidelines on CSR and Sustainability issued by DPE vide O.M. dated 21<sup>st</sup> October, 2014.

**2. CSR & Sustainability Vision of the Company and its objectives:-**

The Company intends to play a vital role in socio economic development of the Country by meeting basic needs of the citizens through its

successful CSR initiatives, programmes and policies towards building a sustainable society. The purpose of this policy is:

- To define CSR projects or programs which SPMCIL plans to undertake and which fall within the purview of the Companies Act 2013, the Companies (CSR Policy) Rules, 2014 and the Guidelines on CSR and Sustainability issued by Department of Public Enterprises vide O.M. dated 21<sup>st</sup> October, 2014;
- Modalities of execution of such CSR projects or programs;
- Monitoring process of such CSR projects or programs;
- To make the stakeholders aware about CSR practices in SPMCIL.

### **3. Strategy:**

As a responsible corporate entity, SPMCIL will consistently strive towards meeting the expectations of the society by supporting initiatives for improving infrastructure/quality of life relevant for the society/ community without compromising on ecological conditions on sustainability basis.

CSR strategies should be developed with a shift from casual approach to the project based accountability approach.

### **4. Scope:**

- This policy broadly covers all relevant sections of the Companies Act, 2013 and all relevant clause(s) of the Companies (CSR Policy) Rules, 2014.
- This Policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the expenditure thereon, excluding activities undertaken in pursuance of normal

course of business of the Company.

- As clarified by the Ministry of Corporate Affairs vide General Circular No.21/2014 dated June 18, 2014, CSR activities mentioned in Schedule VII are to be interpreted liberally. Further, one-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc. would not qualify as CSR activities.
- The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities.
- This policy document will be applicable for all SPMCIL units for implementation of CSR activities/programs.

## 5. **Thrust Areas:**

SPMCIL is committed towards holistic welfare of the society by undertaking CSR activities within the ambit of Schedule-VII of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014. However, thrust areas for CSR activities will be:

- i) Eradicating hunger, poverty and malnutrition, promoting, preventive health care and sanitation including contribution to Swachh Bharat Kosh set up by the Central Government for the promotion of the 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 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 arts and handicrafts;
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii) Training to promote rural sports, nationally recognised sports, Paralympics 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.

xi) Any other activities directed by the Ministry/Board of Directors which fall in the category of CSR or as per MOU commitment of the Company.

In the above thrust areas priority will be given to under privileged, neglected and weaker sections of the society. SPMCIL will accord priority for CSR activities in the local areas and neighbourhood areas of its operations. The Provisions of the Companies Act, 2013 and CSR Rules made thereafter (including DPE Guidelines on CSR and Sustainability shall have overriding effect vis-à-vis the provisions of this policy. Periodic review of this policy shall be done to ensure its continued suitability, adequacy and efficacy.

#### **6. Funding:**

- In line with extant provisions of section 135 of the Companies Act 2013 and requirements laid down in the Companies (CSR Policy) Rules, 2014; 2% of the average net profit of the company made during the three immediately preceding financial years will be allocated for CSR activities.
- CSR budget for the relevant financial year shall be approved by the Board.
- The unspent CSR amount would be permitted, in exceptional circumstances, to carry forward to the next year, provided the reasons for not utilizing the entire CSR amount allocated in a particular year, and the plan(s) for utilizing the unspent amount in the next year is approved by the Board and disclosed in its Annual Report.
- Any surplus arising out of the CSR projects or programs or activities shall not form part of the Business profit of a company.

- Ongoing CSR & Sustainable Development projects or programs or activities will qualify as valid CSR activities and will be completed as approved.

## 7. **CSR Structure:**

Following Committees shall be overseeing all activities related to CSR projects/ programs in the company:

### **I. Board Level Committee (BLC) for CSR:**

Board Level Committee (BLC) for CSR will consist of the following three Directors;

- (i) Dr. Manoranjan Dash, Director (HR), SPMCIL.
- (ii) Dr. Saurabh Garg, Joint Secretary (C&C), DEA, Ministry of Finance & Director, SPMCIL.
- (iii) Smt. Anula Kumar, DDG (Philately), Department of Posts & Director, SPMCIL.

Decision with regard to change in composition or reconstitution of the BLC will be within the purview of the Board. The meeting of BLC may be convened once in a quarter.

The Board Level Committee (BLC) for CSR shall:

- (a) formulate and recommend to the Board, a CSR and Sustainability Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) monitor the CSR and Sustainability Policy of the company from time to time.

## **II. Level 1 Committee for CSR:**

It will assist Board Level Committee for CSR in all matters related to CSR programs/activities of the company and will consist of the following senior officials of Corporate Office:

- (i) Addl. General Manager (F&A)
- (ii) Addl. General Manager (HR)
- (iii) Addl. General Manager (Operations)

Re-constitution of Level 1 Committee will be with the approval of CMD.

Level 1 Committee for CSR shall:

- (a) formulate criteria for selection of projects submitted by applicants keeping in view the Companies Act, 2013, CSR and Sustainability Policy, DPE Guidelines for CSR and directions from the BLC & the Board;
- (b) monitor the process and study impact of CSR programs/ activities periodically, with support from the Units;
- (c) approve need based changes in the agreement format (to be signed with the agency after approval of the project);
- (d) give suggestion(s) relevant to CSR programs/ activities whenever required.

## **III. Unit Level Committee for CSR**

Unit Level Committee for CSR will consist of one member each (not below the rank of E1) from HR, Finance and Administration as permanent members and additionally, depending on the nature/need of the project, members from other departments can also be co-opted in the Committee. Constitution/ reconstitution of Unit Level Committee for CSR will be with the approval of the Unit Head. Unit Level Committee shall:

- (a) review all proposals received at the Unit;

- (b) monitor the process and study impact of CSR programs/ activities periodically;
- (c) give suggestion(s) relevant to CSR programs/ activities whenever required.

**8. Documentation & Dissemination:**

The CSR & Sustainability approach including the base-line survey (wherever applicable) made available at the start of the project and the impact so quantified on completion of the project shall be documented for record purposes and future use as well as for sharing of experience. The same shall be uploaded on SPMCIL website. CSR initiatives of the Company are to be reported in the Annual report of the Company. All CSR activities are also be reported to National CSR hub for record purpose.

**9. Implementation and Monitoring:**

SPMCIL shall take steps to implement its CSR & Sustainability agenda within the organisation through the active involvement of the employees. Activities which are selected under CSR for stakeholders should as far as possible be implemented in a project mode. Monitoring work is to be done by an independent external agency for the sake of objectivity and transparency. Monitoring of CSR projects goes concurrently with implementation. It would also be seen whether the progress is on expected lines in terms of timelines, budgetary expenditure and achievement of physical targets. If necessary, services of a private agency will be taken to carry out the study before the start of the project.

**10. Guidelines for selection External agencies for monitoring**

Limited Tender Enquiries to the Government/PSU agencies who are

specialized in this field shall be issued and CSR Corporate level Committee will select the external agency on the basis of lowest rate quoted by the agency. The agency appointed for evaluation work is required to submit the report after visiting each and every site where CSR projects have been carried out.

**11. Compliance Process:**

CSR compliance structure revolves around Unit CSR Committee, Corporate CSR Committee, Nodal Officer and CSR Committee of the Directors. The above Committees will monitor the progress of CSR activities and regularly apprise the same to the Board from time to time.

**12. General:**

- The power to change interpret and administer the Policy shall rest with Board of Directors of Company whose decision shall be final and binding. Board is also empowered to make any supplementary Rules/Orders to ensure effective implementation of the Policy.
- The provisions of the CSR and Sustainability Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Government from time to time.
- The Company reserves the right to modify, amend, add or delete any of the provisions of this Policy.
- This Policy will supersede/override any previous Policy made in this regard.

\*\*\*\*\*