



ANDHRA PRADESH CENTRAL POWER DISTRIBUTION CORPORATION LIMITED
Dr. Y.S.R VidyutSoudha,
Corporate office, Besides Govt Polytechnic college, ITI Road, Vijayawada -520 008
Corporate Identity Number :U40108AP2019SGC113717

CORPORATE SOCIAL RESPONSIBILITY POLICY OF THE COMPANY APCPDCL

1. PREAMBLE

M/s Andhra Pradesh Central Power Distribution Corporation Limited , Vijayawada
(**APCPDCL**) is a power utility spread across Three districts in the state of Andhra Pradesh.

It has always been delivering goods to customers to the utmost satisfactory levels.

APCPDCL is responsible for undertaking distribution and bulk supply of power in the operation circles of Krishna, Guntur, Prakasam, and APCRDA in the State of Andhra Pradesh.

The Registered office/ Corporate Office of APCPDCL is situated at Vijayawada .

APCPDCL Corporate Social Responsibility Policy is

“To provide the best Service to the Consumers, employees, local community and society at large as a part of its social responsibility “

2. APPLICABILITY

This Corporate Social Responsibility Policy (“**CSR Policy**”) has been adopted by the Company in consonance with Section 135 of the Companies Act 2013 (“Act”), read with Schedule – VII the Companies (Corporate Social Responsibility Policy) Rules 2014 (“**CSR Rules**”), and notifications/circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time.

The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

3. CSR BUDGET

The CSR Committee of the Board constituted under Section 135 of the Act will recommend the annual budgeted expenditure towards each project dedicated to CSR activities to the Board for its consideration and approval.

The total CSR budget for any financial year shall be for an amount equivalent to 2% of the average net profits of the Company made during the three immediately preceding financial years.

Any unspent/unutilized CSR fund of a particular year, shall be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature. However, the reason for not being able to spend shall be disclosed.

4. ACTIVITIES

It is the endeavour of the Company to focus on the following broad activities.

- I. Eradicating hunger, poverty and malnutrition, “promoting health care including preventive health care” and sanitation 4[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 4[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, 9[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 8[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.
Explanation.- For the purposes of this item, the term `slum area' shall mean 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.

The Company may take up such other activities which are broadly covered under Schedule VII of the Act and any additions which may be made hereafter.

5. CSR COMMITTEE & RESPONSIBILITIES

Composition of the CSR committee: The CSR Committee of the Board presently consist of :

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| 1. Chairman & Managing Director
APCPDCL, Vijayawada | Chairman |
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2. Director (Technical) APCPDCL, Vijayawada	Member
3. Chairman & Managing Director APSPDCL, Tirupati	Member
4. Deputy Secretary to Govt., Energy Dept., GoAP	Member

The CSR committee will be responsible for:

- Formulating the CSR policy in compliance to Section 135 of the Act read with the rules made thereunder.
- Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
- Recommending the Board the CSR expenditure to be incurred.
- Recommending to Board, modifications to the CSR policy as and when required.
- regularly monitoring the implementation of the CSR policy

6. IMPLEMENTATION

The investment and duration of programme will depend on its nature, extent of coverage and intended impact of the programme. It may be ensured that majority of the CSR activities are undertaken in Andhra Pradesh.

Implementation may be taken up through designated teams of executives at the respective units of the company or at corporate level under the programs as approved by the CSR Committee and the Board of the company.

The Board of company may also implement the CSR activities through a registered trust or a registered Society created either by the company or any other trust as may be approved by the company. The Company may also implement programmes in collaboration with its associate companies or other companies, wherever feasible.

7. EXECUTION OF PROGRAMMES

Project activities identified under CSR are to be implemented by employees, selected volunteers, specialized agencies, which include Voluntary Organisations (NGOs), Elected local bodies such as Panchayats, Institutes / Academic Organisations, Trusts, Missions, Self Help Groups, Govt./Semi

Govt. / Autonomous Organisations, Mahila Mandals/ Samitis, Professional Consultancy Organization etc.,

Initiatives of State Governments, District administration, Local Administration as well as Central Government Departments/ Agencies, Self-Help Groups etc., would be dovetailed / synergized with the initiatives taken by the Company.

Activities shall, as far as possible, be implemented in a project mode. For easy implementation, long-term CSR projects shall be broken down into medium-term and short-term plans. Each plan shall specify the CSR activities planned to be undertaken for each year. Accordingly, the budget shall be allocated for the implementation of these activities and achievement of targets set for each successive year, till the final completion of the project.

All the CSR activities shall be monitored by the Chairman and the CSR Committee.

8. ROLES AND RESPONSIBILITIES OF BOARD OF DIRECTORS:

The Board of the Company will be responsible for:

- Approving the CSR policy as recommended and formulated by the CSR Committee.
- Ensuring that in each financial year the Company spends at least 2% of the average net profits before taxation made during the three immediate preceding financial years on the CSR activities specified in Schedule VII of the Act.
- Ensuring that every financial year funds committed by the Company for CSR activities are utilised effectively, and regularly monitoring implementation. For this purpose, the Board shall seek a short progress report from the CSR Committee on a periodical basis.
- Display of CSR activities: The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve CSR policy for the company and disclose contents of such policy in its report and the same shall be displayed on the Company's website.
- Ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the format prescribed under the CSR rules as amended from time to time.

As per Section 135 of the Act, the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report.

The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.

9. GENERAL

- a) The CSR Policy shall be recommended by the CSR Committee to the Board of Directors for its approval.
- b) The Company reserves the right to modify, cancel, add, or amend any of the above rules/guidelines, with the recommendation of CSR Committee & approval of Board of Directors.
- c) Any or all provisions of the CSR policy shall be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government of India/MCA, from time to time.
- d) In case of doubt with regard to any of the provision of the policy and also in respect of matters not covered herein, the interpretation & decision of the CSR Committee shall be final.
- e) Certain projects/activities which are not approved by CSR Committee but are required to be implemented on an urgent basis in unforeseen circumstances relating to Natural calamity, can be taken up for implementation as per approval from the Chairman. The CSR Committee and Board of Directors would be appraised about such projects/activities during their next meeting.