

CSR POLICY OF NSTFDC

1.0 BACKGROUND

1.1. National Scheduled Tribes Finance and Development Corporation (NSTFDC) was incorporated in April, 2001 as a Government Company and granted licence under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013) “A Company not for Profit” for the economic development of Scheduled Tribes. NSTFDC is a fully Government of India owned Undertaking under the Ministry of Tribal Affairs.

1.2. The comprehensive guidelines pertaining to CSR are available under Section 135 of the Companies Act, 2013 and the rules made there under. The CSR provisions within the act are applicable to Companies with an annual turnover of ₹1000 crore or more or net worth of ₹500 crore or more or a net profit of ₹5 crore or more during any financial year. The new rules which are applicable from the financial year 2014-15 onwards, also require Companies to set up CSR Committee consisting of their Board Members. The CSR Committee will be responsible for preparing a detailed plan of the CSR activities including decision regarding expenditure, the type of activities to be undertaken, roles and responsibilities of the concerned individuals, monitoring and reporting mechanism. The CSR committee will also be required to ensure that all the income accrued to the Company by way of CSR activities is credited back to the CSR Corpus.

2.0 VISION

NSTFDC through its CSR initiatives will continue to enhance value creation among Scheduled Tribes to contribute for the economic development while improving their quality of life.

3.0 OBJECTIVES

- Improving the quality of life of Scheduled Tribes.
- Developing rural Scheduled Tribes entrepreneurship to promote inclusive economic growth in Scheduled Tribes areas.
- Providing development opportunities to Scheduled Tribes.
- Aligning CSR programmes of other organisations to complement and support the developmental activities of ST Areas.

4.0 CSR COMMITTEE OF THE BOARD

Composition of CSR Committee is Joint Secretary, Ministry of Tribal Affairs as Chairman of the Committee and Chairman-cum-Managing Director, NSTFDC and Executive Director, TRIFED are members.

5.0 RESOURCES

5.1. NSTFDC will spend 2% of the average income over expenditure made by the Corporation during the previous 3 financial years on CSR activities.

5.2. The unspent CSR amount in a particular year would not lapse. It would, instead, be carry forward to the next year for utilisation for CSR activities only.

6.0 FOCUS AREAS

NSTFDC shall undertake CSR Projects in Sectors as identified under Schedule VII of the Companies Act, 2013 with a special focus on the areas given below :-

Health

- Donating Mobile Medical Vans and Ambulances under Health Programmes in Scheduled Tribes Areas.

Education

- Augmenting and supporting infrastructure in Schools run for Scheduled Tribes.
- Offering scholarship and financial assistance to needy and meritorious Scheduled Tribes Students.

Livelihood

- Creating training and supporting Scheduled Tribes entrepreneurs.
- Imparting skill development and vocational training for employment enhancement through sponsored programmes for Scheduled Tribes.

ST Area Development

- Strengthening Scheduled Tribes Areas by providing Housing, Drinking Water, Sanitation, Renewable Energy and livelihood.

7.0 IMPLEMENTATION

- 7.1.** CSR programmes will be undertaken by NSTFDC within the defined ambit of Schedule VII of the Companies Act, 2013, with special focus on the Heads as listed above.
- 7.2.** Majority of the CSR programmes will be implemented in the tribal dominated areas.
- 7.3.** CSR activities shall be undertaken through various agencies including registered Trusts, Societies, Companies, Autonomous Bodies and Government Departments. In case of NGOs/ Trust/ Private Companies an established track record of 3 years in undertaking similar projects or programmes would be essential.
- 7.4.** Partnering with other Corporations, which will bring in resources or expertise that would be leveraged to multiply the Company's CSR initiatives.

8.0 MONITORING AND FEED BACK

To ensure transparency and effective implementation of CSR programmes undertaken, monthly/ quarterly progress reports, sight visits and documentary evidences including photographs, films and videos will be used.

9.0 REPORTING

An Annual Report on CSR containing details about the CSR policy and programmes implemented by NSTFDC shall be included in the Board of Directors' Report for every financial year as per the format prescribed under the Rules to Section 135 of the Companies Act, 2013. If for some reasons, NSTFDC fails to spend 2% of the average net profit of the preceding 3 financial years on CSR, the reasons thereof shall be furnished in the report of the Board of Directors under Section 134 (3) (O) of the Companies Act, 2013.

10.0 GENERAL PROVISIONS

- 10.1.** The surplus arising out of CSR project or programmes shall not form part of the income of the Corporation.
- 10.2.** No Contribution shall be made to political party through CSR funds.

- 10.3.** The CSR projects/ programmes that benefit only the employees of the NSTFDC and their families shall not be considered as CSR activities in accordance with the Section 135 of the Companies Act, 2015.
- 10.4.** The Corporation reserves the right to modify, delete and amend any of the provision of this policy.
- 10.5.** The power to interpret and administer the Rules shall rest with the CMD, NSTFDC whose decision shall be final and binding. CMD, NSTFDC is also empowered to make any supplementary rules/ orders to ensure effective implementation of the scheme.

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