

# **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF DNP LIMITED**

## **1.0 INTRODUCTION**

DNP Ltd. is a Govt. of Assam Undertaking and a joint venture company of Assam Gas Company Limited (AGCL), Numaligarh Refinery Limited (NRL) & Oil India Limited (OIL). The company is at present engaged in the transportation of natural gas to Numaligarh Refinery Limited from OIL's source at Duliajan through an underground pipeline. The company started its commercial operation from 1<sup>st</sup> April'2011. Since commissioning the company has been performing well and started making profit from the 2<sup>nd</sup> year of its operation.

Being a responsible corporate citizen, DNPL equally concentrates on its business policy as well as its socio-economic welfare policy so that it can create a positive impact on society. With the enactment of New Companies Act, 2013 and the formulation of CSR Rules 2014, DNPL has now adopted its CSR (Corporate Social Responsibility) Policy.

## **2.0 The "POLICY"**

DNPL's "CSR Policy" will incorporate the following salient points -

## **3.0 VISION**

To enhance the socio-economic development of the society in the vicinity of the DNPL's operational area with a special attention to protect the ecology and environment.

## **4.0 MISSION**

To identify areas where there are genuine needs and quantify the actual requirements based on baseline survey and in house assessment, in consultation with district authorities, stake holders and to gauge the effectiveness of the implemented schemes through periodic evaluation.

## **5.0 OBJECTIVE**

- (i) To bring tangible socio-economic development in and around DNPL's operational area in particular and in the state of Assam as a whole.
- (ii) To ensure effective utilization of allocated resources.

## **6.0 STRATEGY**

- (i) DNPL will work independently or with other organizations for mobilizing resources.
- (ii) To utilize NGOs, self help groups, registered trust or society in promoting CSR activities of the Company.

## **7.0 FOCUS AREAS**

Schedule VII of the Companies Act, 2013 has given a wide list of CSR activities. While recognizing these, for CSR to maximize the benefit our Company will focus on the following areas –

- (i) Health Care and Sanitation
- (ii) Environmental Sustainability and Ecological Balance.
- (iii) Promotion of education.

These projects will be concentrated only in the Local Area specific to the area of operation.

## **8.0 BUDGET**

Annual budget allocation for CSR and Sustainability activities for a given year shall be based on minimum 2% of the average profit-before-tax of three preceding financial years, as per stipulations in the Companies Act 2013.

Unspent amount from the CSR and Sustainability budget shall not lapse and shall be carried forward to next year for utilization against the purpose for which it was allocated. Adequate justification for unspent amount shall be recorded.

## **9.0 EXECUTION**

- (i) DNPL will conceive the project including the execution methodology and each such project along with estimated cost shall be approved by MD, AGCL & Director, DNPL.
- (ii) All broad projects proposals will be put up to the CSR Committee in every quarterly meeting for information.

## **10.0 EVALUATION, MONITORING and REPORTING**

The CSR Committee will evaluate and monitor the CSR projects for which MD, AGCL and Director, DNPL will prepare and submit quarterly report on the effectiveness of the CSR project to the CSR Committee.

## **11.0 LOCAL AREA**

Focus on DNPL's CSR activities shall be in the area (i) within 10.00 KM radius of the Despatch Station of DNPL at Madhuban and 5.00 km of other stations of DNPL. (ii) 1.00 km in either side of the RoW. These areas shall be deemed as "Local Areas" in the parlance of pursuing CSR initiatives.

## **12.0 CONFORMITY TO STATUTORY REQUIREMENTS**

The Policy shall conform to stipulations under Section 135 of the Companies Act, 2013, the CSR Rules issued by the Ministry of Corporate Affairs and applicable Guidelines on CSR issued by the Government from time to time. In case of conflict between Guideline and the Rules on CSR, the Rules shall prevail.

## **13.00 REVIEW**

CSR policy will be reviewed in every 3(Three) years. A suitable mechanism shall be set up for monitoring the progress and effectiveness of the projects and activities undertaken by the company as per the provisions of the Act and the rules framed there under.

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