SPMCIL Corporate Social Responsibility and Sustainability Policy-2026

SPMCIL

सिक्योरिटी प्रिंटिंग एंड मिंटिंग कॉरपोरेशन ऑफ़ इंडिया लिमिटेड

Security Printing and Minting Corporation of India Ltd.

Miniratna Category-I CPSE

(Wholly Owned by Govt. of India)

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SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Policy on Corporate Social Responsibility and Sustainability for Security Printing and Minting Corporation of India Limited

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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

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development of society and planet through business, while improving the quality of life of the community and the society.

Background: 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 issueddetailed 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. 1st 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. 1st April 2014. The Companies (CSR Policy) Rules, 2014 have also been made effective w.e.f. 1st April 2014. The CSR and Sustainability Policy of SPMCIL was revised and approved by the Board of Directors of SPMCIL in its 106th meeting held on 30.12.2022, to ensure compliance with the provisions of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, as well as other applicable statutory provisions, rules, FAQs, clarifications, and guidelines issued by the Government from time to time, which shall apply mutatis mutandis to the CSR & Sustainability Policy of the Company.

2. Vision and Objectives

The Company intends to contribute meaningfully to the socio-economic development of the country by addressing essential societal needs through effective CSR initiatives, programmes, and policies, with the objective of fostering inclusive growth and building a sustainable society.

Objectives of this policy are:

i. To lay down the framework for selection and implementation of CSR projects and programmes in accordance with the Companies Act, 2013 and applicable CSR Rules and guidelines;

ii. To outline the modalities for execution, monitoring, and evaluation of CSR projects and programmes;

iii. To ensure transparency, accountability, and compliance in CSR activities;

iv. To define the governance structure and roles and responsibilities for effective CSR management within the Company;

v. To promote awareness and engagement of stakeholders regarding the CSR initiatives of SPMCIL.

3. Strategy and Scope

Strategy

As a responsible corporate entity, SPMCIL shall consistently endeavour to address societal needs by supporting initiatives aimed at improving community infrastructure and enhancing quality of life. Such initiatives shall be undertaken in a sustainable manner, ensuring long-term social value creation while maintaining ecological balance and environmental sustainability

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

Scope

i. This policy covers relevant sections of the Companies Act, 2013 and all relevant clause(s) of the Companies (CSR Policy) Rules, 2014, as amended from time to time.

ii. 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.

iii. This policy document will be applicable to all the Units of SPMCIL for implementation of CSR activities/programs.

iv. This CSR policy will be applicable to all CSR projects that will be undertaken by SPMCIL.

4. Guiding Principles

The following principles shall guide the design of CSR activities:

i. **Sustainable and self-sufficient**: CSR projects shall be designed with a focus on long-term sustainability, viability and self-reliance, ensuring that assets, systems, and interventions remain functional and beneficial even after completion of the CSR intervention.

ii. **Long-term benefit**: Preference shall be given to projects that create durable assets or outcomes and generate long lasting social, economic, or environmental benefits for the target beneficiaries or community at large.

iii. **Cost Effectiveness with High Social Impact**: Priority shall be accorded to CSR interventions that adopt appropriate, innovative, and resource-efficient solutions, delivering maximum social impact with optimal utilisation of funds. CSR projects may be designed by adopting appropriate solutions to make them more effective and cost efficient leading to long-term impact on beneficiaries.

iv. **Outcome-Based Approach with Monitoring and Feedback**: CSR projects shall be designed with clearly defined outputs, outcomes, and impact indicators. Robust monitoring mechanisms shall be incorporated, and feedback, including third-party assessments where appropriate, shall be used as inputs for course correction, learning, and scaling of successful initiatives. CSR activities shall be aligned with national priorities and the Sustainable Development Goals (SDGs).

v. **Alignment with Statutory Mandates**

CSR projects should strictly align with Schedule VII of the Companies Act, 2013, and the company's CSR Policy, while also reflecting the organisation's core values and strategic priorities. This ensures compliance, relevance, and institutional ownership.

5. Applicability

CSR provisions specified under Section 135(1) of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014, as amended from time to time, shall be applicable to, and are required to be complied with by SPMCIL for a particular financial year, if the company satisfies the applicability thresholds prescribed under law during the immediately preceding financial year.

6. CSR Obligation

The Board of Directors of SPMCIL shall, for each financial year, allocate at least 2% of average net profit of the Company of preceding three financial years for CSR activities. The average net profit for the purpose of determining the spending on CSR activities is to be computed in accordance with the provisions of section 198 of the Act and will also be exclusive of the items given under rule 2(1)(h) of the Companies (CSR Policy) Rules, 2014. Section 198 of the Act specifies certain additions/deletions (adjustments) to be made while calculating the net profit of a company (mainly it excludes capital payments/receipts, income tax, set-off of past losses).

As referred in the table item no. 3.1 of FAQs on CSR issued by Ministry of Corporate Affairs vide General Circular No. 14/2021 dated 25.08.2021, Profit Before Tax (PBT) shall be used for computation of net profit under section 135 of the Act.

7. Governance Structure

I. Board of Directors

CSR is a Board-driven process and accordingly, the ultimate discretion in the selection and implementation of CSR projects is that of the Board of Directors of SPMCIL. The Board of the company is empowered to plan, decide, execute, and monitor the CSR activities of the company based on the recommendation of the CSR Committee of the Board.

Roles and Responsibilities

The Board of Directors of SPMCIL shall:

i. approve the CSR policy;
ii. disclose contents of such policy in its report and also place it on the company's website, if any;
iii. ensure that the activities included in the CSR policy are undertaken by the company;
iv. ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years;
v. satisfy itself regarding the utilisation of the disbursed CSR funds; and

vi. if the company fails to spend at least two per cent of the average net profits of the company, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.

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

II. CSR Committee of the Board:

Structure

The CSR Committee shall include at least 3 members as approved by the Board, out of which atleast one should be an Independent Director, as mandated under Section 135 of the Companies Act, 2013.

Roles and Responsibilities

The CSR Committee of the Board shall:

i. 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;

ii. recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and

iii. monitor the CSR and Sustainability Policy of the company from time to time.

iv. formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in rule 5(2) of the Companies (CSR Policy) Rules, 2014. However, the Board of the Company may alter such action plan at any time during the financial year, as per the recommendation of the CSR Committee of the Board.

The CSR Committee of the Board shall meet at such intervals as may be required to effectively discharge its responsibilities, in accordance with the provisions of the Companies Act, 2013.

III. Board of Trustees, SPMCIL CSR Trust:

Structure

The Board of Trustees, SPMCIL CSR Trust will assist the CSR Committee of the Board in all matters related to CSR programs/activities of the company. The Trustee to the Board of Trustees, SPMCIL CSR Trust shall be nominated by Chairman and Managing Director of SPMCIL. The Board of Trustees shall consist of not less than four (04) Trustees and not more than six (06) Trustees, each of whom having equal vote. The Board of Trustees shall at least include officials each from HR, Finance and Technical departments, not below the rank of E-5. The Chairman of the Board of Trustees shall be an official not below the rank of E-6.

Roles and Responsibilities

The Board of Trustees, SPMCIL CSR Trust shall:

i. formulate criteria for selection of projects submitted by applicants keeping in view the Companies Act, 2013, CSR and Sustainability Policy, DPE Guidelines for CSR, FAQ on CSR issued by Ministry of Corporate Affairs (MCA) and directions from the CSR Committee of the Board & the Board;

ii. monitor the process and study impact of CSR programs/ activities periodically, with support from the Units;

iii. approve need-based changes in the agreement format (to be signed with the agency after approval of the project);

iv. give suggestion(s) relevant to CSR programs/ activities whenever required.

IV. Unit Level CSR Committee

Structure

Unit Level CSR Committee will consist of at least three (03) executives from HR/Finance/Technical, as approved by the Unit Head. Additionally, depending on the nature or need of the project, executives from other departments can also be co-opted in the Committee. Constitution/ reconstitution of Unit Level CSR Committee will be with the approval of the Unit Head.

Roles and Responsibilities

The Unit Level CSR Committee shall:

i. review all proposals received at the Unit;
ii. monitor the process and study impact of CSR programs/ activities periodically;
iii. give suggestion(s) relevant to CSR programs/ activities whenever required.

8. Thrust Areas for undertaking CSR Activities:

SPMCIL is committed towards holistic welfare of the society by undertaking CSR projects/programs in line with activities prescribed under Schedule-VII of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014. The thrust areas enlisted in Schedule VII may be interpreted liberally to capture the essence of the subjects enumerated in the said Schedule. The thrust areas for CSR initiatives shall include, inter alia, the following, in line with Schedule VII of the Companies Act, 2013, as amended from time to time:

i. Eradicating hunger, poverty and malnutrition, promoting healthcare including 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, 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;

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; Central Armed Police Force (CAPF) and Central Para Military forces (CPMF) veterans, and their dependents including widow;

vii. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;

viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund, (PM CARES 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. (a) Contributions to incubators or research and development projects in the field of science, technology, engineering, and medicine, funded by Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and (b) Contribution 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 Homeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (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 projects

Explanation: - For the purpose 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 of the time being in force.

xii. Disaster management including relief, rehabilitation and reconstruction activities.

xiii. Any other activity permitted under any Act/Guidelines issued by Ministry of Corporate Affairs / Department of Public Enterprises, Government of India / any other statutory authority, as may be amended from time to time.

9. Identification of CSR Activities

SPMCIL shall identify the CSR activities from any of the following means:

i. Activities identified through need assessment survey periodically and/or inputs from panchayat, district administration, government departments, neighbourhood community, various stakeholders including public representatives, Village Development Advisory Committee (VDAC) and other participatory forums or bodies, including interaction with senior management, feedback from third party impact assessment agency etc.

ii. The identified activities shall be in line with the list of activities specified in Schedule VII of the Companies Act 2013 and rules made thereunder.

iii. Any other activity for the benefit of the community at large.

iv. The CSR activities to be taken up shall be designed to bring wide reaching, long lasting, impactful contribution to the society.

10. Non-permissible Activities

Activities falling under the purview of the following broad categories shall not constitute as eligible CSR activity to be undertaken by SPMCIL:

i. Normal Course of Business: Activities undertaken in pursuance of the normal course of business of the company.

ii. Outside India Activity: Activities undertaken by the company outside India, except for training of Indian sports personnel representing any State or Union Territory at national level or India at international level.

iii. Political Contribution: Contribution of any amount, directly or indirectly, to any political party under Section 182 of the Companies Act, 2013.

iv. Benefits of Employee: Activities that benefit only the employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019)

v. Benefit to the Company: Activities supported by the company on sponsorship basis for deriving marketing benefits for its products or services viz. one-off events such as marathons/awards/ charitable contribution/advertisement/ sponsorship of TV programmes etc.

vi. Other Obligation in Law: Activities carried out for the fulfilment of any other statutory obligations under any law in force in India.

vii. Any activity or scope of project beyond the items enlisted in Schedule VII of the Companies Act, 2013.

11. Mode of Implementation

SPMCIL may implement its CSR activities by itself or through the following eligible entities which can act as an implementing agency for undertaking such CSR activities.

i. Trust established by SPMCIL, namely SPMCIL CSR Trust, registered as a public trust and also registered under section 12A and 80G of the Income Tax Act, 1961, and having CSR-1 registration.

ii. Entity established by the Central Government or State Government – a company established under section 8 of the Act, or a registered trust or a registered society.

iii. Statutory bodies – any entity established under an Act of Parliament or a State legislature.

iv. Other bodies – 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 atleast three years in undertaking similar activities. Such organisation should be registered with MCA and mandatorily have a CSR-1 registration number. All implementing agencies must also comply with disclosure requirements under the Income Tax Act (12A, 80G, or exemption under 10(23C)), as amended from time to time.

12. Modes of CSR Expenditure

Company can incur CSR expenditure in the following modes:

i. Activities route: Company may undertake the CSR projects or programmes as per Schedule VII of the Act, either by itself or as above in para 11.

ii. Contribution to funds route: contributions to various funds as specified in Schedule VII of the Act.

iii. Contribution to incubators and R&D projects: as specified in item (ix)(a) and contribution to institutes/organisations, engaged in research and development activity, as specified under item (ix)(b) of Schedule VII of the Act.

13. Receipt and review of CSR Proposals

All Units of SPMCIL will ensure that CSR proposals, complete in all respect, are taken up for further consideration. Broad checklist is enclosed at Annexure-1. Proposals from Units, duly recommended by Unit level CSR Committee, shall be forwarded to SPMCIL CSR Trust at Corporate Office.

The detailed proposal shall be reviewed by SPMCIL CSR Trust at Corporate Office and appropriate clarifications may be sought from Unit or Implementing Agency (if required). SPMCIL CSR Trust may recommend the proposal deemed suitable for further consideration of the CSR Committee of the Board.

14. Project Implementation

14.1 Implementation approach

i. SPMCIL shall take steps to implement its CSR & Sustainability agenda within the organization 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.

ii. The Ongoing CSR & Sustainable Development projects or programs or activities will qualify as valid CSR activities and will be completed as approved within maximum permissible time period of 3 years excluding the year of approval.

iii. 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.

14.2 Payment plan

i. For projects received from District administration/government department/CPSU and involving civil/construction work, payments in advance may be considered on a case-to-case basis, strictly in accordance with the General Financial Rules (GFR), subject to suitable justification provided by the concerned authority/department for the satisfaction of the CSR Committee of the Board. Phase-wise payment plan may be devised, and terms and conditions for release of subsequent instalments may be devised on merit and on case-to-case basis.

ii. For projects involving procurement of items by the implementing agency, payment shall be released after receipt of suitability and acceptance certificate from concerned authority, based on the bills/invoices submitted.

14.3 Procurement

i. Procurement shall be undertaken through GeM portal or open e-tendering mode, as per the state or central government norms or SPMCIL Procurement Manual 3.0 (as amended from time to time), as the case maybe.

ii. In cases wherein certain items which are proprietary in nature and are essential for successful implementation of the project, procurement of such item in Proprietary Article Certificate (PAC) mode may be undertaken, subject to submission of reasonable justification by Implementing Agency/Beneficiary to the satisfaction of the CSR Committee of the Board.

14.4 Local Area

i. For projects covered under the above thrust areas, SPMCIL shall give preference to CSR activities in the local and surrounding areas of its operations, while also aligning its CSR initiatives with national priorities including Aspirational Districts Programme and Sustainable Development Goals (SDGs).

ii. SPMCIL may undertake CSR projects benefiting marginalized and disadvantaged sections of society, including those residing in remote and underserved regions. The local area, for the purpose of reporting, shall be defined as the geography within the boundary of the State in which the Company is operating.

iii. SPMCIL shall mandatorily align its CSR projects with relevant Sustainable Development Goals (SDGs) and disclose such alignment in its Annual CSR Report, in accordance with MCA/DPE guidelines, as amended from time to time.

14.5 Modifications

i. There may arise a situation where the implementing agency may request certain modifications in the terms and conditions of the project including payment terms, mode of procurement, numbers of items required etc. In such cases, suitable justification shall be obtained from the implementing agency/beneficiary,

ii. The Chairman and Managing Director (CMD), SPMCIL shall be competent to approve such modification(s), subject to the condition that there is no additional financial implication in the project. For additional financial implication, such requests will require the approval of the Board of Directors, SPMCIL on recommendation of the CSR Committee of the Board.

iii. The CSR Committee of the Board may design and approve the modalities of the project implementation on case-to-case basis.

15. Project completion

Units and/or Implementing Agencies shall provide the project completion timeline at the time of submitting the CSR proposal. The project timelines shall be adhered to, ensuring project completion in time-bound and cost-efficient manner.

At the time of project completion, a project completion report shall be submitted by the Unit/Implementing Agency outlining the modalities of project execution and fund utilisation in the project. Units may ensure that various means of verifying the project completion as per the approval are adopted, including physical visit, visit report, project completion report, photographs etc.

16. Monitoring

i. The Unit level CSR Committee at Units and the SPMCIL CSR Trust at Corporate Office will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings, quarterly progress reports, audio-visual means etc. Based on the progress reports, periodic visits, with gaps not more than 6 months, will be carried out to verify the effectiveness of implementation.

ii. CSR monitoring structure revolves around the Unit level CSR Committee, SPMCIL CSR Trust, Nodal Officer and the CSR Committee of the Board. The above Committees will monitor the progress of CSR activities and regularly apprise the same to the Board from time to time.

iii. The consolidated status report of all approved projects shall be submitted to the CSR Committee of the Board annually.

17. Impact Assessment:

i. The Impact Assessment of the CSR projects being implemented by SPMCIL shall be undertaken by an independent external agency. Monitoring work is to be done by for the sake of objectivity and transparency.

ii. As the Impact Assessment study is specialised in nature, the agency shall be selected through tendering process on GeM portal amongst CPSEs/Government agencies/Government institutes/ Autonomous bodies/Autonomous institutes. The external agency shall be selected on the basis of lowest rate quoted by the agency.

iii. Impact Assessment shall be undertaken for all such CSR projects (including both completed and on-going) in which substantial progress and expenditure (atleast 50% of the sanctioned amount) has been made in previous Financial Year, thus ensuring that monitoring and evaluation of CSR projects goes concurrently with implementation.

iv. The agency shall ascertain whether the progress in the project is on expected lines in terms of timelines, budgetary expenditure and achievement of physical targets.

v. The agency appointed for evaluation work will be required to submit the report after visiting each and every site where CSR projects have been carried out.

vi. SPMCIL will book the expenditure incurred on Impact Assessment for a particular financial year towards the Corporate Social Responsibility from the budget of the financial year in which expenditure on Impact Assessment has been incurred. Expenditure on impact assessment shall be subject to the statutory ceiling prescribed under MCA guidelines, as amended from time to time.

vii. If necessary, services of a private agency will be taken to carry out the need assessment or baseline survey before the start of the project. Expenses incurred on such engagement will form part of project cost for which such services are availed.

18. Treatment of Funds:

18.1 Treatment of Unspent Amount

i. 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.

ii. SPMCIL shall open a bank account for each financial year in any scheduled bank to transfer the unspent amount with respect to ongoing projects of that financial year within 30 days from close of that particular financial year.

iii. The amount transferred to such Unspent CSR Account shall be used only for meeting the expenses of ongoing projects and not for other general purposes of the company.

iv. Non-compliance with transfer of unspent CSR amounts shall attract penal consequences under Section 135(7) of the Companies Act, 2013, as amended from time to time.

v. It the Company fails to spend 2% of the Average net profit, then the following shall be the treatment of the unspent amount, if any.

If unspent amount not relating to an ongoing project	The Board shall, in its report, shall specify the reasons for not spending the amount; and unless the unspent amount relates to any ongoing project (referred to in sub-section 135 (6) of the Companies Act, 2013), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. For example: Amount remaining unspent not relating to an ongoing project for the F.Y. 2025-26 shall be transferred to a fund specified in Schedule VII latest by September 30, 2026.
If unspent amount relating to an ongoing project	The amount to be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account (UCSRA). For example: The amount remaining unspent (on ongoing projects) for F.Y. 2025-26 shall be transferred to UCSRA latest by April 30, 2026. The amount, remaining unspent in a project of FY 2025-26 and transferred to UCSRÅ, shall be utilized for the project till 31.03.2029.
If fails to spend on the ongoing Project	If Company fails to spend in 3 years (excluding the year of approval), the company 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. For example: The amount remaining unspent as on 31.03.2029 in the projects approved in FY 2025-26, shall be transferred to a fund specified in Schedule VII on or before 30.04.2029.

18.2 Treatment of Surplus Amount

i. Any surplus amount generated from the CSR projects/activities undertaken by SPMCIL will not be added to the normal business profits of a company, and will be further utilised only for CSR purposes.

ii. Surplus shall refer to income generated from the spend on CSR activities, e.g., interest income earned by the implementing agency on funds provided under CSR, revenue received from the CSR projects, disposal/sale of materials used in CSR projects, and other similar income sources.

18.3 Funds in Schedule VII:

Contributions to the following funds shall be admissible as CSR expenditure:

i. Swachh Bharat Kosh

ii. Clean Ganga Fund

iii. Prime Minister's National Relief Fund (PMNRF)

iv. Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)

v. Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs, for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

18.4 Set-off amount

If SPMCIL spends more than the requirement provided under Section 135, such excess amount can be set off against the mandatory 2% CSR expenditure up to the immediately succeeding three financial years. This excess amount shall not include any surplus arising out of CSR projects, and the Board of SPMCIL shall pass a resolution to this effect.

18.5 Administrative Overheads

i. Administrative overheads are the expenses incurred by the company for 'general management and administration' of CSR functions.

ii. Administrative overheads shall comprise of items such as employee costs, utilities, office supplies, stationery cost, legal expenses, salary and training for the employees working in the CSR division of a company, travelling expenses, etc.

iii. The expenses which are directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme, shall not be included in the administrative overheads.

iv. Any other incidental expenses incurred in the conduct of CSR function at the company shall not form part of Administrative Overheads.

v. The maximum permissible limit for administrative overheads will be five per cent of the total CSR expenditure in the financial year in which such expenditure is incurred.

19. Compliance, Reporting and Disclosure

i. The CSR initiatives of the Company are to be reported in the Annual report of the Company. The Annual report on CSR shall be annexed to the Annual Report of the Company for each financial year. The format is enclosed at Annexure-2.

ii. The CFO of the company shall each year issue a certificate certifying that the amounts so disbursed in the CSR projects approved in that particular financial year are disbursed for the intended purpose as approved by the Board. The format is enclosed at Annexure-3.

iii. Company shall ensure that accurate information is submitted in CSR-2 form of MCA, and PE Survey of DPE for each financial year before the due date.

iv. Company shall display the Constitution of CSR Committee of the Board, CSR policy of the company, the details of CSR projects approved in each financial year and the Impact Assessment report on the Company's website.

20. General:

i. 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.

ii. The provisions of the Companies Act, 2013 and rules framed thereunder as amended from time to time and other applicable statutory provisions, Rules/FAQs, clarifications, guidelines issued by the Government from time to time will apply, mutatis mutandis, to the CSR & Sustainability Policy of the Company.

iii. The Company reserves the right to modify, amend, add or delete any of the provisions of this Policy.

iv. Any point not covered in this policy would be interpreted in accordance with the Companies Act 2013 and rules made thereunder.

v. This Policy will supersede/override any previous Policy made in this regard.

Annexure-1: Checklist for submission of CSR Proposal to SPMCIL CSR Trust, SPMCIL

CHECKLIST FOR SUBMISSION OF CSR PROPOSAL TO SPMCIL CSR TRUST, SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED		
Sl. No.	**Particulars**	**Details**
A	**About Entity**	
1	Name of the Entity and Website link	
2	Registered address /Communication Address	
3	Entity Constitution / Establishment date / Brief Profile etc.	
4	Average turnover for last 3 financial years in case NGOs	
B	**Key Financial Information**	
1	Project Cost Estimates Please provide (a) cost break-up viz. construction / capital equipment / operational expenditure / admin etc. and (b) two budgetary quotations or evidence of benchmark cost with certified technical specifications of items required	
C	**Project Details**	
1	Goals of the Project	
2	Duration of project (In Months)	
3	Project Location(s) (Complete Address with Google/Wiki mapping). Please submit location-wise Cost Estimate breakup also	
4	Summary of Need Assessment/ Baseline Survey Report	
5	Detailed activities to be undertaken over the span of the project	
6	Expected major outcomes / outputs	
7	Expected major long term impacts	
8	Expected number of Target beneficiaries (Male/Female/Transgender/SC/ST/Others) (If Applicable)	
9	Name of Co-Financer if any / Give details	
10	Description of Sustainability aspects of the Project after project duration	
11	Mode and agency of procurement	
12	Payment terms and plan	
D	**Implementation**	
1	Implementation timelines with milestones. (Also, may provide Activity wise Bar Chart)	
2	Other stakeholders / helping parties viz Govt Bodies, Institutions, NGOs in the project (If any) with respective roles / responsibilities	

E	**Undertaking that:**	
1	In case of Non-Governmental Organisations (NGOs): SPMCIL procurement Guidelines' for procurement of goods and services for the project will be followed In case of State/ Central Government bodies; Autonomous body of Government aided agency: they may follow their respective procurement guidelines.	
2	**Undertaking/ Declaration that**	
(i)	Whether any of the Board of Directors/ Governors/ Trustees/ Managing/ Executive Committee members have any official dealing with SPMCIL or are related to any Board members of SPMCIL	
(ii)	Entity is having no pending legal dispute and/ or inquiries in connection with offences like cheating, misappropriation of funds, exploitation of beneficiaries, etc.	
(iii)	Entity is not blacklisted by any govt. agency	
(iv)	Declaration that why it cannot be supported under existing government programmes/schemes	
F	**Enclosures**	
1	CSR Registration Certificate	
2	Registration Certificate of the entity	
3	Constitution or trust deed or bye-laws of the organization with key areas of work	
4	Bank Account Details	
5	Certificates under Section 12A and 80G of the Income Tax Act 1961, TDS Exemption Certificate (If any) (Only in Case of Non-Governmental Organisation)	
6	PAN Card	
7	Audited Financial Statements of preceding three financial years and documents substantiating the turnover in taking similar activities (Only in case of Non-Governmental Organisation)	
8	Acknowledgement of Income Tax Return filed for last 3 Financial Years	
9	Not More than 1 years old NGO Grading by CRISIL, CARE, IRR at the time of submission of proposal alongwith grading report (Only in Case of Non Governmental Organisation)	
10	Provide Impact Assessment report(s) of similar CSR project executed in recent past, preferable by third party if any with supporting documents	
11	Regulatory approvals / NOC, if required	
12	Details of similar projects executed during the preceding three financial years. Also provide details of projects executed with SPMCIL or other PSUs	
NOTE	The completed proposals shall be sent in hardcopy addressed to "Nodal Officer, SPMCIL CSR Trust, SPMCIL, 3rd Floor, Tower-G World Trade Centre, Nauroji Nagar, New Delhi-110029. For further queries please email csrtrust@spmcil.com	

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Annexure-2: Format for the Annual Report on CSR Activities to be included in the Board's report for the financial year

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(s) 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 executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

5.

S. No.	Description	Amount (in Rs. Lakhs)
(a)	Average net profit of the company as per section 135(5)	
(b)	Two percent of average net profit of the company as per section 135(5)	
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	
(d)	Amount required to set off for the financial year, if any	
(e)	Total CSR obligation for the financial year [(b) + (c) - (d)]	

6.

S. No.	Description	Amount (in Rs. Lakhs)
(a)	Amount spent on CSR Projects (both on-going project and other than on-going project)	
(b)	Amount spent in Administrative Overheads	

(c)	Amount spent on Impact Assessment, if applicable.	
(d)	Total Amount Spent for the Financial Year [(a)+(b)+(c)]	

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in Rs. Lakhs)	**Amount Unspent (in Rs. Lakhs)**				
	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 the section 135(5)**		
	Amount (in Rs. Lakhs)	**Date of transfer**	**Name of the Fund**	**Amount (in Rs. Lakhs)**	**Date of Transfer**

(f) Excess amount for set off, if any:

S. No.	**Particulars**	**Amount (in Rs. Lakhs)**
(i)	Two percent of average 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)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in Rs. Lakhs)	Balance Amount in Unspent CSR Account under section 135(6) (in Rs. Lakhs)	Amount spent in the Financial Year (in Rs. Lakhs)	Amount transferred to a fund as specified under Schedule VII, as per second proviso to section 135(5), if any.			Amount remaining to be spent in succeeding Financial Years (In Rs. Lakhs)*	Deficiency, if any
					Name of the Fund	Amount (in Rs. Lakhs)	Date of transfer		
1	FY-1								

2	FY-2								
3	FY-3								
	Total								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes/No

If yes, enter the number of Capital assets created / acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S.No	Short particulars of the property or asset (s) [including complete address and location of the property]	Pincode of the property or assets	Date of creation	Amount of CSR amount spent (in Rs. Lakhs)	Details of entity/authority/beneficiary of the registered owner		
					CSR Regn. No, if applicable	Name	Registered Address

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

Sd/- (Chief Executive Officer or Managing Director or Director)	Sd/- (Chairman CSR Committee)

Annexure-3: Certificate for utilisation of funds disbursed for CSR activities

To,
Board of Directors,
Security Printing and Minting Corporation of India Limited,
3rd floor, Tower-G, World Trade Centre,
Nauroji Nagar, New Delhi-110029

This is to certify that the following funds were disbursed and utilised towards Corporate Social Responsibility (CSR) projects, as approved by the Board of Directors and monitored by the CSR Committee, during the financial year ________. The status of these CSR projects as on ________ has been documented based on available records.

Sl. No.	Name of the Project	Implemented through	Amount Sanctioned (in Rs.)	Amount disbursed (in Rs.)	Amount Utilised (in Rs.)	Unspent Amount, if any (in Rs.)

The books of account and other records of CSR projects, as available with the company, gives reasonable assurance about the utilisation of the funds disbursed by the company to Implementing Agencies for undertaking approved CSR activities.

Sd/-

Chief Financial Officer

Date:

Place: