

## ANNUAL REPORT ON CSR ACTIVITIES – 2014-15

### 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

NALCO, as a Socially Responsible Business Enterprise, has always contributed towards development of its stakeholders more particularly to those residing in the peripheries of its plants and operational areas and also has given utmost importance to the protection of environment. Since inception, NALCO has shown its obligation and accountability to all its stakeholders in all its operations and activities with the aim of achieving sustainable development not only in the economic dimension but also in the social and environmental dimension. This has been possible through implementation of its sound and ethical policies on CSR and environmental protection. For NALCO let all be happy is the guiding spirit (**Sarve Bhavantu Sukhina**).

The Company has been allocating 2% of its net profit after tax for CSR activities since 2010-11 out of which, 1% is spent for Peripheral Development activities through RPDAC. The balance 1% is spent for CSR activities through Nalco Foundation.

From 2014-15 onwards, the Company is mandated to spend 2% of its average net profit during the three immediately preceding financial years under different heads stipulated under Schedule VII of the Companies Act, 2013.

The CSR activities of the Company encompass the following thrust areas:

- To play a catalytic role for improving the living standards and quality of life of the community through upliftment of economic status & community care
- To develop the infrastructural facilities to cater to the social and economic need in vicinity of the community
- To provide better health care & health education
- To promote education & literacy
- Pollution control and environmental measures
- Promotion of sports & games, arts, crafts & culture
- To minimise (making it zero) the negative & social environment impact resulting from its economic activities
- To promote a responsible public image

During 2014-15, the Company focussed its CSR activities in the field of health care service, promotion of education and environmental sustainability, renewable energy etc.

A detailed CSR Policy, approved by the Board, is placed at Company's website i.e. [www.nalcoindia.com](http://www.nalcoindia.com).

For providing better health care services to the Periphery village people, four Mobile Health Units (MHUs) are being operated in collaboration with Wockhardt Foundation in periphery villages of M&R Complex, Damanjodi. Similarly, three Mobile Health Units (MHUs) are operating in Angul Sector with the help of Lions Club, Angul. Each MHU provides primary health services to the villagers include free medicines, diagnostics and awareness building through Information Education Communication (IEC) activities. In addition to above, an OPD Centre meant for Out Patient Treatment of people of periphery villages in Angul sector has also started operating since July, 2014 in the S&P Complex. The Centre is functioning with a qualified Doctor, para-medical staff. Free medicines are provided to the patients of periphery villages through the Centre.

In the context of promoting education and to bring the tribal students to the mainstream of education, as an important CSR initiative, 655 students from 16 periphery villages of Damanjodi sector have been sponsored for formal education in 3 residential schools viz. (i) Kalinga Institute of Social Sciences, Bhubaneswar, (ii) Koraput Development Foundation, Koraput & (iii) Bikash Vidyalaya, Koraput. The total cost related to study, lodging and boarding of those students till they complete schooling is borne by the Company.

Moreover, Peripheral village school students are also extended educational facilities in the Company aided schools i.e. Saraswati Vidya Mandirs & Delhi Public Schools located at Damanjodi and Angul sectors.

As a part of Company's effort towards harnessing the unconventional and renewable energy sources, NALCO has commissioned 160 KWp Roof Top Solar Power Project at its Corporate Office and 100 KWp at its Township Buildings in Nalco Nagar, Bhubaneswar.

**2. The Composition of the CSR Committee:**

Shri Qaiser Shamim, Independent Director  
 Shri Sanjiv Batra, Independent Director  
 Shri S.C. Padhy, Director (HR)  
 Ms. Soma Mondal, Director (Commercial)  
 Shri V. Balasubramanyam, Director (Production)

**3. Average net profit of the company for last three financial years :**

₹ 100700 lakhs

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

₹ 2014.00 lakhs

**5. Details of CSR spent during the financial year:**

₹ 1909.85 lakhs

**(a) Total amount to be spent for the financial year:**

₹ 2014.00 lakhs

**(b) Amount unspent, if any:**

₹ 104.15 lakhs

**(c) Manner in which the amount spent during the financial year is detailed below:**

(₹ in lakhs)

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local areas or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or Programs. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
01	Health Outreach Programme – Mobile Medical Units, Diagnostic & awareness building through Information, Education, Communication (IEC) activities.	Point No.(i) of Schedule VII– Promoting preventive health care	Koraput & Angul Districts of Odisha.	16.60	16.60	16.60	Nalco Foundation and Directly by Company.
02	Construction of toilets under Swachh Vidyalaya Abhiyan & other activities.	Point No.(i) of Schedule VII – Promoting preventive health care and sanitation	Koraput, Angul & Khurda Districts of Odisha.	500.00	40.14	40.14	Nalco Foundation and Directly by Company.

1	2	3	4	5	6	7	8
03	Promoting education, sponsoring formal education of tribal children in reputed residential schools, Operating remedial schools for the school dropout children to bring back them to the mainstream education.	Point No.(ii) of Schedule VII – Promoting education, including special education.	Koraput & Angul Districts of Odisha.	1356.98	1252.83	1252.83	Nalco Foundation and Directly by Company.
04	Providing employment enhancing training to Persons With Disabilities (PWDs) students for their livelihood, support for skill enhancement training programmes.	Point No.(ii) of Schedule VII – Employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Angul & Koraput Districts of Odisha	92.00	92.00	92.00	Directly by Company
05	Contribution in favour of Prime Minister's National Relief Fund for the flood affected people of J&K State.	Point No.(viii) of Schedule VII – 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.	For J&K State	400.00	400.00	400.00	Nalco Foundation
06	Renovation of heritage buildings, preservation of traditional rural arts & handicrafts and traditional objects, promotion of social & cultural events.	Point No.(v) of Schedule VII – 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.	At Sambalpur & Khurda Districts of Odisha.	25.28	25.28	25.28	Directly by Company through Samaleswari Temple Trust, Sambalpur. Society for Development of Rural Literature, Bhubaneswar, Dist: Khurda.
07	Ensuring environmental sustainability, renewable energy through Roof Top Solar Project.	Point No.(iv) of Schedule VII – Ensuring environmental sustainability, ecological balance, conservation of natural resources etc.	At Bhubaneswar, Dist: Khurda	83.00	83.00	83.00	Directly by Company
<b>TOTAL</b>						<b>1909.85</b>	

- The above CSR expenditure forms part of the financial statements for 2014-15 audited by the Statutory Auditors and C&AG.
- Nalco Foundation is a Trust under Indian Trust Act exclusively to take up CSR activities of the Company.
- Some projects have been executed by the Nalco Foundation with the help of appropriate NGO's operating within the operational areas of the Company.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

For extending educational facilities for Peripheral village school students in the Company aided schools i.e Saraswati Vidya Mandirs & Delhi Public Schools located at Damanjodi and Angul Sector and also promoting education of tribal children in residential school, Company has provided estimated fund allocation of ₹1356.98 lakhs considering any possible hike of charges by educational institutions. However, the actual expenditure on this head is ₹1252.83 lakhs, leaving fund of ₹104.15 lakhs on this account.

7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**Sd/-**  
**(N.R. Mohanty)**  
D (P&T) & I/c. CMD  
Date: 07-07-2015

**Sd/-**  
**(Qaiser Shamim)**  
Independent Director &  
Chairman, CSR & Sustainability  
Development Committee  
Date: 07-07-2015

**Sd/-**  
**(T. K. Chand)**  
Chairman-cum-Managing Director  
Date: 24-08-2015