

PD-12019/1/2020-PD-VI-(Coord)
Government of India
Ministry of Shipping
(Port Wing)

Transport Bhawan,
1, Parliament Street, New Delhi-110001

Dated: 04th March, 2020

To

The Chairperson/Chairmen,
All Major Port Trust

Secretary
CHAIRMAN

V.P.T.

05/03/2020

Subject: Revised Guidelines on Corporate Social Responsibility (CSR) for Major Ports

Madam/Sir,

I am directed to say that the Guidelines issued by this Ministry vide letter No. PD-25021/10/2011/PDII dated 2nd December, 2011(copy enclosed) regarding funding of activities by Ports under CSR have been reviewed by the Ministry. **The revised Guidelines on Corporate Social Responsibility (CSR) for Major Ports** are enclosed herewith for information and necessary action. All Major Ports are requested to adhere to the above guidelines.

Yours faithfully,

Shailendra Kureel
(Shailendra Kureel)

Under Secretary to the Govt. of India

Encl.: As above.

Copy to:

1. PS to Minister of State for Shipping (I/C)
2. PS to Secretary (S)
3. PS to Addl. Secretary (S)
4. PS to JS(P)
5. PS to JS (SM)
6. PS to JS (S)
7. PS to JS(PPP)
8. PS to JS(Admin/DGLL)
9. PS to DA(P)
10. PS to MD IPA
11. All Director/DS / CO Ports wing

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Subject: Revised Guidelines on Corporate Social Responsibility (CSR) for Major Ports

Considering the economic, social and environmental activities, the Ports have impact on the society and the environment, it is felt that the ports should serve the interests of the society by taking responsibility for the upliftment of their activities. To this end, all Major Ports should rethink their other social responsibilities and identify activities that would create visible social impact on the society and environment. Corporate Social Responsibility would thus be the Port's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stake holder. This commitment is beyond mandatory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of sustainable development.

Planning and Implementation

- i. Each Major Port should at the beginning of the Financial Year, allocate the funds and identify the activities/projects to be undertaken under CSR in a systematic, planned and objective manner Possible areas of activities are annexed.
- ii. CSR projects/activities may be undertaken in the periphery where the Port carries out its activities.
- iii. The Port should integrate their CSR in Business Plan with the social and environment concerns related to business of the entity.
- iv. Thrust should be given wherever possible to areas related to the Business of the port making CSR activities a natural corollary to the business.
- v. Investment in CSR should be project based.
- vi. CSR activities should generate community goodwill, create social or environment impact and visibility.
- vii. For every project, the time frame and periodic milestones should be finalized at the outset.

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- viii. CSR project may be related to United Nations Global Impact Programme on environment and closely linked with the principle of sustainable development based on the immediate and long term social and environmental consequences of their activities.
- ix. Ports should create value in innovative social investment in the community and focus on the areas of 'preparedness and capacity building' in disaster management.
- x. Project activities identified under CSR need to be implemented by specialized agencies and generally not by the staff of the Port concerned. Specialized agencies shall include voluntary agencies, self-help group, trusts, missions etc. While assigning such projects to specialized agencies, every possible effort must be made to verify the reliability and clean track record of such agencies. Ports may prepare suitable panel of such agencies or they may select from panel maintained by the Government, Autonomous Bodies or National CSR Hub etc.
- xi. Ports can also collaborate with each other for jointly undertaking CSR activities, provided that each port are able to individually report on such projects.
- xii. Activities and expenditure related exclusively to the benefits of Port staff will not count as CSR.

COMMEETTE SETUP FOR CSR:-

CSR projects will be implemented under the guidance of CSR committee (Board level committee) which shall be headed by the Chairman, Major Ports with two other members. Major responsibility of the CSR committee includes the following:

- a. Formulate and recommendation of CSR proposal to the Board.
- b. Recommend the amount of expenditure to be incurred on the activities.
- c. Periodically monitor the CSR activity.

Funding

- i. CSR Budget will be mandatorily created through a Board Resolution as a percentage of net profit in the following manner:

Financial Position of the Port	Expenditure range of CSR in a Financial year
Net Profit (Previous Financial Year)	(% of profit)
(a) Less than Rs. 100 crore	3%-5%
(b)Rs.100 crore to Rs.500	2%-3% (subject to a minimum of Rs. 3 crore)
(c)Rs.500 crore and above	0.5% to 2%

- ii. Loss making Ports are not mandated to earmark specific funding for CSR activities. However, they should achieve the CSR Objectives by integrating their business process

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with social process wherever possible and taking up such initiative which do not involve cash out go.

- iii. The CSR budget should be fixed for each financial year. This funding will not lapse. It will be transferred to CSR fund, which will accumulate and not lapse. If the port has been unable to spend the minimum fund required on its CSR initiatives, the reasons for not doing so are to be specified in the annual report.
- iv. The allocated CSR fund should be earmarked in the following manner.

A. 20% of the funds should be deployed in following activities/contribution.

- i. Sainik Kalyan Board at the district level.
- ii. National Maritime Heritage Complex, Lothal, Gujarat (NMHC).
National Youth Development Fund.(NYDF)

B. 78% funds should be released for social & environment welfare of the community as per the list attached in this annexure of the guidelines.

C. 2% earmark for monitoring of the activities.

Monitoring

- i. Board of Trustees of every Major Port should discuss the implementation of CSR activities in the Board Meeting.
- ii. Board of Trustees should also finalise the activities to be taken up under CSR during the financial year, based on the local requirement.
- ii. A separate paragraph/chapter of the Annual Report of the port on the implementation of the CSR activities/projects including the facts relating to physical and financial progress should be included.
- iii. The implementation of CSR Guidelines will form a part of the MoU that is signed each year between the Port and the Government. This will facilitate monitoring of the performance of each Port with reference to its CSR activities by the Ministry.
- iv. Evaluation, both concurrent and final, of the CSR project could be carried out by an independent external agency.

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Approval :

All the major ports in the beginning of the each Financial year should submit all CSR activities / proposal that are planned to be undertaken by the port in the financial year for approval of the Ministry after due assent of their respective Board.

All Major Ports are requested to adhere to the above guidelines and take up CSR projects/activities in right earnest within the budget allocated in the beginning of the financial year. The CSR activities undertaken along with the allocation of funds may be clearly indicated in the Budget Proposals of the Port for the financial year.

This issues with the approval of Hon'ble Minister of State for Shipping (IC).

Shailendra Kureel
(Shailendra Kureel)

Under Secretary to the Govt. of India

Copy to:

1. PS to Minister of State for Shipping (I/C)
2. PS to Secretary (S)
3. PS to Addl. Secretary (S)
4. PS to AS & FA
5. PS to JS(P)
6. PS to JS (SM)
7. PS to JS (S)
8. PS to JS(PPP)
9. PS to DA(P)
10. PS to MD IPA
11. All Director/DS / CO Ports wing

ANNEXE

A. 20% of the funds should be deployed in following:

- i. Sainik Kalyan Board at the district level.
- ii. National Maritime Heritage Complex(NMHC).
- iii. National Youth Development Fund.(NYDF)

B. 78% funds to be release for following activity

- i. Drinking Water.
- ii. Education and Imparting Vocational training .
- iii. Setting up of skill development centres, imparting skill training, Entrepreneurship Development Programme and placement assistance programme for youth
- iv. Electricity, Non-conventional & renewable energy sources.
- v. Health and Family Welfare.
- vi. Promotion of livelihood for economically weaker sections through forward and backwards linkages.
- vii. Relief to victims of Natural Calamities, like earthquake, cyclone, drought & flood etc.in any part of the country.
- viii. Community Centers/Night Shelters/Old Age Homes.
- ix. Basic infrastructure in villages through adoption.
- x. Construction and/or operation of Hostels (especially those for SC/ST and girls)
- xi. Pollution control measures, environment friendly technologies, preservation/restoration of environment/ecology and for sustainable development goals.
- xii. Sanitation and Public Health Action suggested by Ministry of Environment, Forest and Climate Change pertaining to Charter of Corporate Responsibility for Environment protection for 17 categories of Industry
- xiii. Waste recycle in civil construction or other public use.
- xiv. Activities/projects related to removal of plastic from marine ecology.
- xv. Use of the materials taken out of the dredging activities for public good.

S. Venkatesh

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To,

Sub: Guidelines on Corporate Social Responsibility (CSR) for Major Ports

Planning and Implementation

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- (ix) Ports should create value in innovative social investment in the community and focus on the areas of 'preparedness and capacity building' in disaster management.
- (x) Project activities identified under CSR need to be implemented by specialized agencies and generally not by the staff of the Port concerned. Specialized agencies shall include voluntary agencies, self-help group, trusts, missions etc. While assigning such projects to specialized agencies, every possible effort must be made to verify the reliability and clean track record of such agencies. Ports prepare suitable panel of such agencies or they may select from panel maintained by the Government, Autonomous Bodies or National CSR Hub etc.
- (xi) Activities and expenditure related exclusively to staff benefits of the Port will not count as CSR.

Funding

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- iv) Evaluation, both concurrent and final, of the CSR project could be carried out by an independent external agency.

U y ***** y *****

All Major Ports are requested to adhere to the above guidelines and take up CSR projects/activities in right earnest within the budget allocated and time limits prescribed with effect from current financial year 2100-12. The CSR activities undertaken along with the allocation of funds may be clearly indicated in the Budget Proposals of the Port for the current financial year 2011-12 and likewise for all subsequent years

This issues with the approval of the Minister of Shipping.

Sd/-
(Vishal Gagan)
Deputy Secretary to the Government of India
Tel.No 23716619

ANNEXE

**POSSIBLE AREAS OF ACTIVITIES UNDER CSR
(THE LIST IS INDICATIVE AND EXHAUSTIVE)**

- (i) Drinking Water Facility
- (ii) Educational.
- (iii) Electricity Facility
- (iv) Solar Lighting System.
- (v) Health and Family Welfare
- (vi) Irrigation Facilities
- (vii) Sanitation and Public Health
- (viii) Pollution control measures.
- (ix) Animal Care
- (x) Promotion of Sports and Games including Promotion of manna
- (xi) Promotion of Art and Culture.
- (xii) Environment Friendly technologies
- (xiii) Promotion of livelihood for economically weaker sections through forward and backwards linkages.
- (xiv) Relief to victims of Natural Calamities like earthquake, cyclone, drought & flood situation in any part of the country.
- (xv) Supplementing Development Programmers of the Government
- (xvi) Non-conventional energy sources.
- (xvii) Construction of Community Centers/Night Shelters/Old Age Homes.
- (xviii) Imparting Vocational Training.
- (xix) Setting up of skill development centers.
- (xx) Adoption of Villages.
- (xxi) Taking action on points suggested by Ministry of Forest and Environment pertaining to Charter of Corporate Responsibility for Environment protection for 17 category of Industry
- (xxii) Scholarships to meritorious students belonging to SC,ST, OBC and disabled categories
- (xxiii) Adoption/Construction of Hostels (especially those for SC/ST and girls)
- (xxiv) Skill training, entrepreneurship development and placement assistances programmers for youth.
- (xxv) Building of Roads, Pathways and Bridges.
- (xxvi) Entrepreneurship Development Programme (EDP).
- (xxvii) Disaster Management Activities including those related to amelioration/mitigation.
- (xxviii) Activities related to the preservation of Environment/Ecology and to sustainable Development.

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Revised Guidelines on Corporate Social Responsibility (CSR) for Major Ports-reg.

1 message

So-PD VII <sopg@nic.in>

Thu, Mar 5, 2020 at 2:59 PM

To: Vinit Kumar <chairman@kolkataporttrust.gov.in>, RINKESH ROY <chmppt@paradiport.gov.in>, vpt chairman <vpt.chairman@gmail.com>, chairman <chairman@chennaiport.gov.in>, chairman <chairman@vocport.gov.in>, chairman@deendayalport.gov.in, CHAIRMAN JNPT <chairman@jnport.gov.in>, "Chairman Office, MbPT" <chairman@mumbaiport.gov.in>, DrBeena M <chairman@cochinport.gov.in>, Venkata Ramana Akkaraju <chairman@nmpt.gov.in>, CHAIRMAN MPTGOA <chairman@mptgoa.gov.in>, Chariman Kamarajar Port Limited <chairman@kplmail.in>

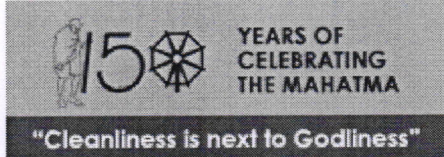
Cc: Shailendra Kureel <shailendra.kureel@nic.in>

Sir/ Madam,

Please see the attachment.

with regards,

SO (PD-VII)
Ministry of Shipping
Government of India
New Delhi-110001



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