



POWER FINANCE CORPORATION

Corporate Social Responsibility & Sustainable Development

Power Finance Corporation Ltd., (PFC), a schedule "A" Navratna CPSE under Ministry of Power is engaged in providing large range of financial products and services like Project Term Loan, Lease Financing, Direct Discounting of Bills, Short Term Loan, Consultancy Services etc., for various Power projects in Generation, Transmission, Distribution sector as well as for Renovation & Modernization of existing power projects.

PFC started CSR activities in 2010 and framed CSR policy as per guidelines issued by DPE. PFC with its focus on empowering the underprivileged communities, till date has sanctioned around Rs. 529.17 Crores for CSR projects and shall continue to undertake CSR projects towards improving the quality of the life of the society at large.

PFC undertakes CSR projects in the following thrust areas as per its CSR policy:

- a. **Ensuring Environmental Sustainability measures such as:**
 - (i) Renewable Energy and Energy Efficient and Environment-friendly Technologies;
 - (ii) Support Research & Development activities in Renewable and clean energy initiatives;
 - (iii) Waste Management, Waste to energy etc.
- b. **Sanitation & Provision of Safe drinking water.**
- c. **Promoting Education and employment enhancing vocational skills, such as:**
 - (i) Skill Development Training leading to employment for various under privileged sections of the society;
 - (ii) Interventions in education sectors such as providing inputs to basic education needs in backward areas and support to girl's education programmes.
- d. **Activities related to supporting differently-abled persons.**
- e. **Activities related to Health Sector.**
- f. **Others**
 - (i) Contribution to Prime Minister National Relief Fund or any other funds set up by the central government for socio economic development and relief, rehabilitation and welfare of the scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
 - (ii) Contribution or support to technology incubators located within academic institutions approved by Central Government.
 - (iii) Any initiatives of Ministry of Power w.r.t CSR activities

Inspired by Nature Aspiring from Green Future...

CSR Expenditure

As per provisions of Companies Act, PFC determines CSR budget for a FY. The budget of FY along with carry forwards of previous year unspent budget is utilized for on-going and new projects under CSR. The CSR budget/expenditure details for the year 2014-15 and 2015-16 is given below:

S. No.	FY	CSR Expenditure Allocations	Sanctions	Disbursed*
01.	2014-15	Rs. 117.49 Crores	Rs. 304.10 Crores	Rs. 51.68 Crores
02.	2015-16	Rs. 145.79 Crores	Rs. 15.56 Crores	Rs. 195.52 Crores
Total		Rs. 263.28 crores	Rs. 319.66 crores	Rs. 247.2 Crores

*disbursement figures also include administrative expenses on CSR activities and disbursement against projects sanctioned in previous years.

CSR Activities

Skill Development

PFC has undertaken various projects such as Skill Development training programs and Renewable Energy / Energy Efficiency, Sanitation projects, etc in FY 2014-15 and 2015-16. PFC has sanctioned Rs. 33.15 Crores in year 2014-15 towards skill development programmes with focus on SC/ST/OBC, Women, PwD and Economically Weaker Sections (EWS). PFC insists on employability of these training programmes so that at least 70% of trained candidates get employment. Around twelve thousand youth were successfully trained under PFC sponsored training programs in FY 2014-15 and 2015-16.

Sanitation

Hon'ble Prime Minister announced Swachh Bharat – Swachh Vidyalay flagship program on 15th August 2014. Under aegis of Swachh Bharat Abhiyan in Govt Schools, PFC committed financial assistance of Rs 235 Crores (approx.) for construction of 9200 toilets (8100 toilets in Andhra Pradesh and 1100 toilets in Rajasthan). Implementing agency engaged by PFC in Andhra Pradesh constructed 4422 toilets with approx cost of Rs 107 Cr and Rs 70.18 Cr were transferred to State District Administration for construction of 3681 toilets in order to complete work within one year. Similarly, implementing agency in Rajasthan constructed 525 toilets with approx cost of Rs 11 Cr and 6.84 Cr were transferred to State authorities for construction of 590 toilets for speedy work.

Apart from construction of toilets under Swachh Bharat Abhiyan in schools, PFC in year 2014-15 also sanctioned Rs 7.15 Crores for construction of 3000 nos. of household toilets in Bihar, Rajasthan and West Bengal. Under Swachh Bharat Abhiyan PFC will continue support for initiatives leading to healthier and cleaner environment.

Environment Sustainability and Rural Development

PFC also focused on taking up Renewable energy/ Energy Efficiency projects considering the needs of basic lighting and energy needs of rural areas of the country. In FY 2014-15 and 2015-16, PFC provided sanctions of Rs. 26.29 crores for such projects. PFC has sanctioned Rs 8.99 Cr for project for implementation of Integrated Domestic Energy System (IDES) for 25000 households in back ward districts of Bihar. With solar energy driven IDES system women in rural households would be able to cook in clean environment and would not be subjected to smoke of conventional mud stoves and simultaneously will also be having basic clean lighting through solar LED light.



For community level intervention PFC sanctioned Rs 2.18 Cr for installation of 1000 solar street light systems in Bhadoi and Phoolpur District of Uttar Pradesh. PFC has also sanctioned Rs 15.12 Cr for providing solar home light systems across 10 districts in far-flung areas of North Eastern state of Arunachal Pradesh where communities are in much need of clean and affordable energy solutions. PFC had earlier supported installation of solar street light system in 8 districts of Arunachal Pradesh and also provided solar power packs for schools and primary health centers in remote areas of Meghalaya and Assam.



CSR awareness among employees

PFC introduced CSR volunteer scheme in which any PFC employee can participate in CSR initiative as volunteer. PFC also organised a training program for creating awareness on CSR &SD initiatives among the employees so that the importance of CSR can be better understood. Several employees other than CSR staff had been associated in Swachh Bharat – Swachh Vidyalaya project monitoring during 2014-15 in Rajasthan and Andhra Pradesh states and delivered their support.

The consolidated allocation of CSR funds activity - wise is summarized below:

Major Sectors	FY 14-15	FY 15-16
Skill Development	Rs. 33.15 Crores	Nil
Environmental Sustainability	Rs. 24.11 Crores	Rs. 2.18 Crores
Sanitation/Waste management	Rs. 242.74 Crores	Rs. 8 Crores
Health Sector	Nil	Rs. 1.94 Crores

Implementation Methodology

PFC has a robust mechanism for selecting a CSR proposal. Proposals submitted by implementing agencies are first screened by an Inter Disciplinary Committee consisting of GM level officials of various divisions of the corporation. Once it is screened, the proposal is appraised as per CSR policy and put upto CSR&SD committee of Directors after due approval process. Once the committee recommends the proposal is put up to Board of Directors (BoD) for approval.

After Approval from BoD, a Memorandum of Agreement (MoA) with terms and conditions is signed with the project executing agency before implementation of the project. Milestone linked disbursements is made to the executing agency after ensuring compliances as per MoA. Implementation timeline with deliverables are defined for each CSR project in the MoA.

IV. - Innovative Practices

PFC believes in pan- India approach to carry out its CSR initiatives. Therefore, development is supported all across the country particularly in the remote areas such as North East, J&K, Jharkhand and Left Wing Extremism (LWE) affected areas. PFC has covered over 20 states across the country through its CSR activities like promoting Renewable Energy initiatives in remote areas for rural house hold and institutional usage, promotion of Skill Development, Sanitation, Entrepreneurship etc. PFC maintained special focus on use of Renewable Energy (RE) as PFC itself is dealing in power sector. Such promotion of RE will reduce carbon foot prints and greater awareness will lead to sustainable practices towards use of energy. PFC also supported projects for equipment to support PWDs. PFC is continuing its effort to lead in innovative approaches in CSR.



Glimpses (Swachh Bharat)



PFC through its CSR initiative is undertaking projects for sustainable development focussing on the thrust areas mentioned in its policy such as ensuring environmental sustainability, skill development leading to employment for unemployed youth belonging to weaker sections of society, sanitations, drinking water etc. PFC is consistently endeavouring through its CSR initiatives for upliftment of women and support persons with disabilities.

CSR Expenditure

For the FY 2016-17, PFC has earmarked a budget of ₹ 166.15 crore against budget of Rs 145.79 Crore for the previous FY (@ 2% of the average stand-alone PBT of the three immediately preceding financial years as per Companies Act, 2013). PFC has sanctioned projects worth ₹ 83.38 crore under CSR activities till 30th Nov 2016.

Major initiatives:

Rural Development

For development of rural areas in Chhattisgarh, PFC has sanctioned 24 Crore for irrigation of 1000 hectares of land using surface water through solar pumps. The project is expected to increase agricultural yield of local farmers thereby improving their income.

Skill Development

PFC has undertaken various Skill Development training programs. PFC as on 30th Nov 2016 sanctioned around Rs. 34 crores in year 2016-17 towards skill development programmes with focus on SC/ST/OBC, Women, PwD and Economically Weaker Sections (EWS). PFC insists on employability of these training programmes so that at least 70% of trained candidates get employment.

Environment Sustainability

PFC is also focused on taking up Renewable energy/ Energy Efficiency projects considering the needs of basic lighting and energy needs of rural areas of the country. It has also considered various environmental challenges in modern age and sanctioned projects related to greening of highways for carbon sequestration. In FY 2016-17, PFC as on 30th Nov 2016 provided sanctions of Rs. 17 crores for such projects.

Projects for Persons with Disabilities (PwDs)

PFC in FY 2016-17 has also sanctioned around 7 Cr for distribution of Hi-End Prosthetic & Orthotic Artificial Limbs to Persons with Disabilities (PwDs) in Mumbai and its suburb areas and Fitment of cochlear Implants to 100(Hundred) Hearing Impaired Children.

List of major Projects sanctioned during FY 2016-17

- Project for implementation of 500 nos. of solar based LED Street Lighting System in Pilibhit district of Uttar Pradesh, amounting to ₹ Rs 1.28 Crore.
- Project for providing financial assistance for Employment Oriented Training and Skill Development programme for SC/ST/OBC/Women & EWS of society for 2000 persons amounting to ₹ Rs 7.89 Crore
- Project for Skill Development programme for persons belonging to SC/ST/OBC/Women/PwD & EWS of society for 3000 persons , amounting to ₹ Rs 9.30 Crore.
- Project for Provisioning of Hi-End Prosthetic & Orthotic Artificial Limbs to Persons with Disabilities (PwDs) in Mumbai and its suburb areas i.e Thane.Kalyan,Raigad,Uraan etc amounting to ₹ Rs 1.10 Crore.
- Project for Installation and commissioning of 544 nos. of LED based Solar PV Street Lighting System in Giridih, Bokaro and Dhandbad districts of Jharkhand amounting to ₹ Rs 1.19 Crore.
- Project for implementation of 500 nos. of solar based LED Street Lighting System in Basti District of Uttar Pradesh amounting to ₹ Rs 1.28 Crore.
- Project for Skill Development programme for SC/ST/OBC/Women/PwD & EWS of society for 900 persons amounting to ₹ Rs 2.20 Crore.
- Project for fitment of cochlear implants to 100 Hearing Impaired Children amounting to ₹ Rs 6.30 Crore.
- Project for Solar Community Irrigation Schemes for 1000 Hectares area in Chhattisgarh State amounting to ₹ Rs 24 Crore.
- Project for plantation in Nagpur Region of NH-7 amounting to ₹ Rs 12.63 Crore.
- Project for implementation of 500 nos. of solar based LED Street Lighting System in Srawasti District of Uttar Pradesh amounting to ₹ Rs 1.13 Crore.



TAKE ACTION

Everyone can play a part in ending poverty for women and families around the world. You make it possible to equip Community Health Workers like Valerie with life-saving information, and for rural women like Lajjawata to save for their childrens school fees. Here are some ways in which you can be involved:

GIVE TODAY

We have made great progress. But so much more remains to be done. To find out how you can join the team in the fight against poverty, visit grameenfoundation.org/give. Your gifts are fully tax-deductible to the extent allowed by law.

GIVING AT WORK

Many companies generously support their employees philanthropic causes. Learn how you can designate Grameen Foundation in your workplace matching gifts program at grameenfoundation.org/matching.

GRAMEEN FOUNDATION LEGACY SOCIETY

Make a planned gift by designating Grameen Foundation as a beneficiary in your will, retirement plan or life insurance policy. You'll help poor families build new futures, while simultaneously reducing your estate and income taxes. For more information, visit grameenfoundation.org/plannedgiving.

VOLUNTEER

Join our Bankers without Borders volunteer corps and use your professional skills (regardless of your field of expertise) on projects to help the world's poorest either on-location or from your desk. Learn more at www.bankerswithoutborders.com

TOTAL REACH 2015-16

IN FISCAL YEAR 2015-2016, OUR **22** PROJECTS

REACHED **3,193,430** PEOPLE, EXCEEDING OUR

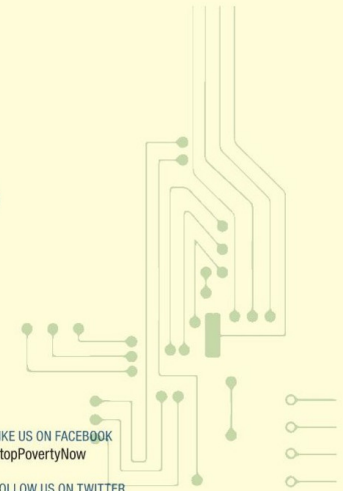
TARGET BY **124%** PERCENT. **1,839,873**

PEOPLE, OR **58%** OF THOSE REACHED, WERE LIVING

BELOW **\$2.50**/DAY.

NUMBERS BY PROGRAM

mAGRICULTURE	332,788
FINANCIAL SERVICES	171,431
mHEALTH	2,689,211



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