

PTC India Financial Services Limited

Corporate Social Responsibility Policy

Introduction:

As a corporate citizen, PTC India Financial Services Limited (“PFS”) is committed to ensure the social upliftment of the communities in which it operates through Corporate Social Responsibility (“CSR”) initiatives. This Policy lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of community at large.

Objective of CSR initiatives:

The objective of PFS’s CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.

The CSR Policy has been made in line with the Section 135 of Companies Act, 2013 and its amendments from time to time (“The Act”) and would include the activities as covered under Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

Constitution of CSR Committee

In line with the provisions of the Act, CSR Committee of Board of Directors of PFS has been formed. PFS’s CSR Committee comprises of 5 Directors which include 3 Independent Director(s).

1. Mr. Deepak Amitabh
2. Mr. S.K. Tuteja
3. Mr. Ved Jain
4. Dr. Uddesh Kohli
5. Mr. R.M. Malla

Mr. Vijay Singh Bisht, Executive Vice President has been nominated as Co-ordinator of the CSR Committee.

Functions of the CSR Committee

The CSR Committee shall—

- (a) Formulate and recommend to the Board, a CSR Policy which shall indicate the CSR

activities to be undertaken by the company as specified in Schedule VII of the Act. The same is being presented through this Policy.

(b) Recommend the amount of expenditure to be incurred on the CSR activities referred to in clause (a); and

(c) Monitor the CSR Policy of the company from time to time.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

1. CSR Activities

To attain its CSR objectives in a professional and integrated manner, PFS shall undertake the CSR activities as specified under the Act. The CSR activities of the Company will have the following thrust areas:

- I. Eradicating extreme hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Govt. for promotion of Sanitation and making available safe drinking water;
- II. Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- III. Promoting gender equality, empowering women, reducing child mortality and improving maternal health, setting up homes and hostels for women and orphans, setting up old age homes, day care centers 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. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- VI. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
- VII. Slum Area Development;
- VIII. Social business projects;
- IX. 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;

- X. Measure for the benefit of armed force veterans, war widows and their dependents;
- XI. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
- XII. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- XIII. Rural Development projects.

2. Implementation Process:

The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The administration of the CSR Policy and the execution of identified CSR project(s), program(s) and activities under it shall be monitored by an internal group comprising of:-

- I. Dr. Ashok Hadia, Director
- II. Dr. Pawan Singh, Director
- III. Mr. Vijay Singh Bisht, E.V.P.
- IV. Mr. Gaurav Kaushik, A.V.P.

The Activities shall be performed by following implementation modalities by the following:

- a) The CSR activities shall be undertaken by the company, as per this CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- b) The PFS Board may decide to undertake CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise:

Provided that if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
- c) Collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the PFS CSR committee is in a position to report separately on such projects or programs.
- d) Through Internal Implementation Agencies such as Employee Volunteers, Employee Families, and / or
- e) Through External Implementation Agencies such as Government Agencies, NGOs and others.
- f) Local areas shall be given priority for CSR activities, however a distant

geographical area may also be selected for some activities on need basis.

- g) The Implementing Agency (ies) should have a track record of at least 3 years in undertaking the similar program / project / activities.

3. Review Mechanism

All proposal for CSR activities shall be first examined by the internal CSR Group and only after found suitable proposals shall be put up to CSR committee of Directors for their consideration following due process in the company. The proposal shall be put up for approval of the Board after the recommendation / approval from CSR Committee of Directors.

4. Budget:

PFS will allocate at least 2% of the average net profits of the company made during the three immediately preceding financial years' as its Annual CSR Budget.

5. Surplus of CSR Projects

The surplus, if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of PFS and will be ploughed back into the CSR activities. CSR Budget will be non-lapsable in nature and if the budget is not fully utilized, PFS shall disclose the reasons for not fully utilizing the budget allocated for CSR activities planned for each year. Unspent amount of fund will have to spend within the next 2 financial years.

6. Monitoring & feedback

To ensure effective implementation of the CSR programmes undertaken, the CSR Group will conduct impact studies on a periodic basis, through independent professional third parties/ professional institutions, especially on the strategic and high value programmes.

CSR Group will also obtain feedback from beneficiaries about the programmes.

In case of any doubt with regard to any provision of the Policy and also in respect of matters not covered herein, a reference shall be made to the CSR Committee. In all such matters, the interpretation and decision of the Chairman of CSR Committee shall be final.

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

7. General

This policy shall stand modified by the provisions of the Companies Act/ Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

This policy would serve as the referral document for planning and selection of CSR activities, though, whenever in doubt, cross reference to Companies Act & Companies (Corporate Social Responsibility Policy) Rules, 2014 shall be followed to avoid any inconsistency with the latter.

The power to modify/ amend the CSR Policy will rest the Board of Directors of PFS.

The CSR Committee will be responsible for framing the rule(s) in accordance with and in furtherance of the CSR Policy, as approved and as amended by the Board from time to time to time and also for the overall implementation of the CSR Policy