

2021

CSR Policy-PTC India



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Corporate Affairs
Partners in Knowledge. Governance. Transformation

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1.0 BACKGROUND

- 1.1 PTC has been undertaking various social activities as a responsible corporate since its incorporation in the year 1999. These were aligned as per the requirement of the Companies Act 2013 with effect from 1st April 2014. PTC took up CSR activities in a number of areas including skill development and empowerment, health and sanitation. A trust, titled “PTC Foundation (PFT)” was set up by the company for implementing the CSR activities of the PTC Group on 10th October, 2016.
- 1.2 This Policy describes and contains the Company’s philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large. Titled as the “PTC CSR Policy” (CSR Policy), it has been prepared keeping in mind the Company’s business ethics and the requirements of the Companies Act, 2013 Schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2.0 SCOPE & INTERPRETATION

- 2.1 PTC INDIA has developed this Corporate Social Responsibility (CSR) and Sustainability Policy in consonance with the CSR Policy framework enshrined in **the section-135 of Companies Act, 2013** (Act) and in accordance with the **Companies (CSR Policy) Rules, 2014** (Rules) notified by Ministry of Corporate Affairs, Government of India and subsequent amendments in the (Rules) and the **Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021** notified by the Ministry of Corporate Affairs, Government of India in January 2021.
- 2.2 It shall apply to all CSR Projects / Programmes undertaken by PTC INDIA as listed in the CSR policy of PTC INDIA and approved by Board of PTC INDIA on the recommendation of CSR Committee, within the geographical limits of India alone, except for training of Indian sports personnel representing any State or Union territory at national level or India at international level and preferably towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment and achievement of Sustainable Development Goals.
- 2.3 Any point not covered by this Policy would be interpreted in accordance with the existing Companies (CSR Policy) Amendment Rules of 2021.

3.0 Vision

To use our position as a leading power trading company to support the welfare and development of the communities in our operational zone of influence and society at large.

Objectives:

Through CSR, PTC remains committed to further the integrated development of society in an economically, socially and environmentally sustainable manner and to recognise the interest of all its stakeholders. As a responsible energy service company, we shall ensure our CSR initiatives create meaningful impact and comply with all laws and regulations. In CSR, as in all PTC operations, PTC shall preserve the environment, operate safely, foster cultural diversity, fight climate change and serve as a model for corporate excellence. Specifically, the PTC,

- would aim at striking a balance between the socio-environmental and economic objectives in order to proactively address emerging needs of the communities.
- would prioritize CSR programmes towards achieving one or more of the following: social and environmental issues, shared value, long-term perspective, integrated planning, innovations, and deeper involvement of the stakeholders, active focus to solve the issues affecting the community, enhancing environmental and natural capital and supporting rural development.
- would ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders.
- would pursue CSR programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact.
- would generate community goodwill for the company and help reinforce a positive and socially responsible image of the company as a corporate entity.
- would create opportunities for employees to participate in socially responsible initiatives.
- would conserve energy in the conduct of business operations and increasing the energy efficiency of the company's products

4.0 Selection and Resource Allocation

To attain its CSR objectives in a professional and integrated manner, PTC shall undertake CSR activities as specified under Schedule VII of the Companies Act, 2013, as amended from time to time.

Strategy:

- The PTC's focus areas for developmental activities will be in urban as well as rural areas in any geographical location in the country as approved by the CSR committee. The amount of expenditure to be incurred for the activities and the modalities of execution and monitoring of such projects or programmes will depend upon the emerging needs and recommendation of the CSR committee of the board.
- The PTC shall prepare an Annual CSR Plan and Budget on a yearly basis, with funding priorities varying according to the development landscape and consultation with relevant stakeholders.
- The specific intervention areas and activities within the broad thematic areas will be identified and implemented in line with Annual Budget.

Focus areas: Some of the thrust areas are given below:

- Promoting education, including special education and employment enhancing vocational skills especially among the vulnerable groups: women, elderly and the differently abled and livelihood enhancement projects, through community ownership model, which will allow PTC to create new jobs and provide local skills training;
- 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;
- Integrated Rural Development by attempting to provide rural communities with the tools and means to grow and prosper- renewable energy solutions, including smart mini-grids, water pumps and street lights at our project sites and bring about lasting rural development; and
- Other thematic areas as approved by the Board in compliance with Companies Act, 2013 and subsequent amendments.

Project Prioritization Process:

PTC group has established a Trust in October, 2016, named PTC Foundation Trust (PFT), to undertake the CSR activities of PTC India and the Group Companies. The proposals for CSR activities shall be received and reviewed by PFT on behalf of PTC India Ltd. or by PTC directly, which may then be passed on to PFT for processing and implementation. Proposals consistent with PTC's vision and mission shall be shared with the CSR Committee for approval at the beginning of the year with projects prioritized on the following basis:

- Projects and programmes must be in line with activities specified in Schedule VII of the Companies Act 2013 and rules;
- The areas in which PTC operates shall be given priority for CSR activities. A distant geographical area may also be selected for on need basis;
- Initiatives should preferably be in project/ programme mode.
- Projects should be taken up as per the needs of the society.
- Projects of 0-3 years shall be assigned priority to ensure emphasis on long-term outcomes / impacts;
- PFT shall maintain a structured stakeholder engagement process with regard to CSR project development and prioritization. Wherever required, on a case to case basis, this process shall include inputs from Panchayat, district administration, neighborhood community, various stakeholders including public representatives, and other participatory forums/bodies/ beneficiaries of the project affected area.
- PTC shall abstain from CSR projects in the areas prohibited under the CSR law / rules based on ineligibility under law or inconsistency with company priorities:

Overall Budget for CSR Project Implementation

The CSR budget would be allocated during each financial year by the Board of Directors. PTC shall 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 as per the provisions of Companies Act, 2013.

Furthermore,

- **GOVERNANCE**

The PTC India has a well-defined and robust governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013. The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company would also be responsible for monitoring the implementation of CSR Policy from time to time. The CSR Committee would recommend to the Board, the projects or programmes to be undertaken, the modalities of execution and implementation schedule from time to time. Apart from recommending and approving budgets for project implementation, the Committee will also work a suitable monitoring mechanism with PTC Foundation to track the progress of each project.

As PTC group has established a Trust in October, 2016 to undertake the CSR activities of PTC India and the Group Companies, accordingly there are three entities that play key roles in the CSR programme - Board of Directors, CSR Committee and the PTC Foundation Trust (PFT). A Roles and Responsibility matrix is given in Annexure I. Their specific roles and responsibilities are given below:

PTC Board of Directors

The Board aims to have at all times a CSR Committee of the Board with the appropriate mix of skills and experience relevant to CSR's programming (especially the Independent Director). If needed, the Board could seek help from an independent CSR expert to advise the board on the activities/decisions related to CSR of the companies. In line with Section 135 of the Companies Act, PTC's Board of Directors (the Board) would be responsible for the following activities:

1. Constitute a CSR committee and approve the CSR policy;
2. Approve CSR strategies, budgets, plans and implementation mechanism;
3. Approve the CSR action plan and budget as proposed by the CSR committee in accordance with Schedule VII of the Companies Act, 2013.
4. Make disclosures in the Board report as per clause (o) of sub-section (3) of section 134 including particulars specified in Annexures to the CSR rules.
5. Ensure that the Company operates an appropriate corporate governance structure, in particular ensuring that CSR acts legally and responsibly on all matters and that the highest ethical standards are maintained;
6. Consider the social, ethical and environmental impact of CSR's activities and monitoring compliance with sustainability policies and practices.
7. Board of PTC INDIA shall also approve multi-year project undertaken by PTC INDIA in fulfilment of its CSR obligations having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board of PTC INDIA based on reasonable justification;

8. In case of ongoing project, the Board of the Company through its CSR Committee shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
9. Board of PTC INDIA may alter Annual action plan of CSR activities at any time during the financial year, as per the recommendation of its CSR Committee of the board, based on the reasonable justification to that effect.
10. Board of PTC INDIA shall ensure that direct Administrative Overheads of the Company shall not exceed 5% of the total CSR Expenditure of the Company for the financial year;
11. The Board of PTC INDIA shall satisfy itself that the funds disbursed for implementing of CSR projects have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial Management shall certify to the effect.
12. The Board of PTC INDIA shall monitor the progress of approved CSR projects and programs with respect to timelines through the CSR Committee.

PTC CSR Committee

The CSR Committee would be responsible for the following:

The CSR Committee of the Board shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 issued by Ministry of Corporate Affairs, Govt. of India, will be followed by PTC INDIA in this regard;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the PTC INDIA;

PTC Foundation Trust

The PTC Foundation Trust (PFT), an autonomous Trust established by PTC Group, shall coordinate the implementation of the CSR projects on behalf of PTC. The PFT shall undertake the following duties:

- Receive requests for implementation of projects from Group companies throughout the financial year;
- Evaluate proposals and forward to the CSR Committee for review; in a consultative process, help PTC identify and shortlist CSR proposals for inclusion in annual CSR Action Plan;
- Help PTC prepare and recommend to the CSR Committee an annual CSR Action Plan and Budget;
- Plan and coordinate implementation of PTC's CSR projects, programs and activities as defined in the annual CSR Action Plan and Budget in accordance with the Companies Act, 2013;
- Conduct, either internally or through a competent third party, all monitoring, evaluation, and assessments; report findings to the CSR Committee periodically;
- Ensure that CSR projects having an average prescribed amount of Rs. 1 Crore or more (in cases where the total annual CSR Budget of the company is Rs. 10 crore or more), shall undertake need and impact assessment studies for their CSR programmes/ projects in that year and disclose the same in their Board Report. Such studies to be undertaken once in three years for each such project;
- Obtain the relevant certificates/approvals u/s 12 AA or 12AB and Section 80G/35 (i) (II) or 35 (i) (III) SRO or any other tax concession under the Income-tax Act, 1961.
- The prescribed CSR budget will be transferred to the PTC Foundation by the PTC India Ltd. to undertake the CSR activities as approved and advised by the PTC India Limited.
- Implement the CSR activities of PTC in line with the CSR philosophy, visions and objectives mentioned in their CSR policy;
- Present periodic programmatic and financial reports in a format as may be required or prescribed by the CSR Committee.
- Periodically update the CSR Committees and Board of PTC Group on the progression of various approved CSR activities undertaken by it on behalf of the PTC.
- PTC Foundation shall also issue the relevant receipts under Sec 80G/ or any other of the Income tax Act 1961 for any amount received towards implementation of CSR activities by PTC or any other such documents that may be required from time to time by them.

Giving Monetary Contributions

There are two types of monetary contributions:

- Issuance of CSR contributions from PTC:
 - a) For those projects, where PTC directly spends the CSR budget, strong preference would be given to project-mode initiatives to eligible CSR implementing organization; such grants would be awarded subject to written application from the requesting organisation and other processes outlined in this policy.

- b) For those projects where implementation is through PFT, PTC would resolve to transfer entire CSR budget to PFT at the beginning of the Financial year or in four quarterly instalments, as it deem fit, so that PFT can accordingly suggest an annual action plan to the PTC CSR committee of the Board in first quarter of every financial year.

Treatment of unspent funds

In the event that funds are not spent as prescribed by end of financial year for ongoing CSR Projects, PTC shall transfer unspent funds to unspent Corporate Social Responsibility account. The amount shall be transferred from PTC to unspent Corporate Social Responsibility account within 30 days from the end of the financial year. In case of allocated CSR funds, the funds would be used towards PTC's CSR obligations within a period of three financial years from the date of the transfer. By 31st March of the Financial Year, the PTC board may allow PFT to keep the remaining balance to be kept in reserve for future program implementation or to be used as administrative cost. In the event that PTC fails to utilise the funds at the end of the three financial years, the funds would be transferred as per provision of the Schedule VII of the Companies Act 2013.

If the unspent amount does not relate to any ongoing project referred to in sub-section (6), PTC shall transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Regulatory Compliance

This CSR Policy is in line with the Section 135 of Companies Act, 2013 and its amendments. It includes activities covered under Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

This policy would serve as the primary referral document for planning and selection of CSR activities, though, shall stand modified by the provisions of the Companies Act/ Companies Rules, 2014 and as amended from time to time.

The power to officially modify/ amend the CSR Policy would rest with the PTC Board of Directors. It would be reviewed periodically to bring desired modifications/improvements in line with legal provisions and PTC's business goals, mission, and vision.

The policy would be made available to all employees, regulatory agencies, customers, business associates, general public and other stakeholders through PTC's official website.

The CSR activities and performance would be made available in the Business Responsibility Report included in PTC's Annual Report.

5.0 CSR ACTIVITIES

- 5.1 Projects / Programs as identified by the PTC / PTC Foundation, approved by the Board of PTC INDIA on the recommendation of CSR committee of the board at the beginning of the financial year will be made a part of the policy document uploaded on the PTC INDIA website.
- 5.2 Budgets will be allocated for CSR projects through a process incorporating identification of suitable implementation agencies, need assessment (where ever required) and clear outlining of desired outcomes of CSR projects. The CSR projects / programs / initiatives, to be undertaken must fall within the purview of the Schedule – VII of the Companies Act, 2013 (as amended from time to time).
- 5.3 Opportunities for complementing / supplementing Government initiatives / programmes will be explored. However, funds will not be deposited in Government accounts except where the Act / Rules specify/permit such allocation.
- 5.4 PTC INDIA would assign priority to multi-year projects/programmes of medium or long duration having timelines not exceeding 3 years (excluding the year in which it was approved) in order to ensure emphasis on long-term outcomes / impacts. Preference may be given to those projects which has potential to create long term community assets.
- 5.5 PTC INDIA will lay emphasis on the sustainability of its projects / programmes to ensure they remain relevant and viable even upon disengagement at the end of the project period.
- 5.6 Preference will be given to those CSR projects which are in alignment with ESG policy of PTC
- 5.7 PTC INDIA / PFT will explore possibilities for collaborating / co-operating with other Corporate / National / Multi- lateral / Bi-lateral Agencies in order to synergise its efforts and increase both financial resources as well as outcomes and impact in such a manner that the CSR Committee is in a position to report separately on such projects or programmes in accordance with the rules.

6.0 CSR PLANNING

- 6.1 To assist in planning of the activities, the indicative budget allocation for broad sector of activities will be delineated in the Annual Action Plan which shall be formulated and recommended by the CSR Committee and approved by the Board.

6.2As already indicated the plan should include the following: -

- a) the list of CSR projects or programmes that are approved to be undertaken in

areas or subjects specified in Schedule VII of the Act;

- b) the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

6.3 The Action Plan shall be reviewed by the Board at its convenience, but at least once in six months. However, in case of requirement of taking up any CSR project/ programme not covered in the Annual Action Plan due to various circumstances like natural calamities, need for such projects in operational areas etc., it could be reviewed in between also.

6.4 PTC INDIA shall give preference to well defined Project operating principles during the planning stage for the identification and implementation of its CSR Projects / Programmes in order to ensure optimal utilisation of the CSR budget.

6.5 PTC INDIA will endeavor at all times to build and develop the skills of its CSR team and enhance level of CSR awareness within the organization and may also engage International Organizations for capacity building of its own CSR personnel.

7.0 CSR IMPLEMENTATION

7.1 Implementation of the CSR projects or programs shall be through the agencies fulfilling the criteria laid down under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (and as amended from time to time). Implementing agencies shall necessarily be fulfilling the criteria specified in Annexure-1 of this Policy. Only duly registered agencies on MCA portal with a valid registration number will be engaged for CSR project implementation.

7.2 The CSR activities would be undertaken as projects, programs, or activities (either new or ongoing), with majority of the CSR funds in project mode that refers to a set of interventions, typically in a specific geography and addressing a specific stakeholder group, with a definite set of goals. The Board may utilize the following means/entities for implementation of CSR activities:

- A company established under section 8 of the Act or a registered public trust or a registered society or registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or,
- A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or, any entity established under an Act of Parliament or a State legislature; or,
- 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 at least three years in undertaking similar activities

- Every entity, covered under sub-rule (1) of Rule 4 to the Rules of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021.
- All organizations desirous of implementing CSR projects of PTC India must have established track record of 3 years in similar activity.
- All Implementing Partners will have to furnish the relevant information pertaining to the eligibility criteria as above and this will be in addition to the information already required to be furnished as per existing PFT CSR Checklist.
- Agencies not fulfilling the criteria as mentioned above will not be considered as Implementing Agencies for CSR Projects.
- Preference will be given to those implementing organizations which have an established track record in the area where it has applied for grant/project to PTC.
- In case of PTC all CSR projects will primarily be implemented through PTC Foundation Trust (PFT).

8.0 CSR BUDGET AND CSR EXPENDITURE

- 8.1 The Board of PTC INDIA will ensure that in each Financial Year (FY), at least two percent of the average net profit (calculated as per Section 198 of the Companies Act 2013) accrued during the three immediately preceding Financial Years is spent on CSR activities / projects / programs.
- 8.2 In an event where CSR expenditure is in excess of requirement as per section 135 of Companies Act, 2013, such excess amount may be set-off against the requirement to spend as per Section 135 of Act, up to immediate succeeding three financial years subject to the condition that this excess amount shall not include any surplus arising out of CSR projects;
- 8.3 Any capital asset created/acquired out of CSR funds shall be held by a company established under section 8 of the Companies Act, 2013, or a registered Public Trust or Registered Society having charitable objects and CSR Registration Number, or beneficiaries of the said project, in the form of self- help groups, collectives, entities etc.
- 8.4 Expenditure towards Impact Assessment undertaken directly by the Company will be booked towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.
- 8.5 For all contributions received from other companies / sources towards the CSR Corpus / Budget, PTC INDIA will claim CSR expenditure only for funds that are provided from its own resources.

9.0 MONITORING BY PFT

- 9.1 In case of ongoing project, the Board of a Company will monitor the implementation of the project through PFT with reference to the approved timelines and year-wise allocation and shall be competent to make modifications,

if any, for smooth implementation of the project within the overall permissible time period.

9.2 A comprehensive Monitoring mechanism will be devised by PFT on behalf of PTC INDIA to ensure that the CSR process functions as mandated by the Act and the Rules, ensuring that all Projects / Programmes are duly implemented as budgeted. This will be done on the basis of the following:

- Engaging National & International Organizations, if required, for designing, monitoring and evaluation of the CSR projects or programmes.
- Allocation of a separate budget for setting up and running the monitoring system;
- Installation of an electronic MIS and human architecture that shall work together to ensure a firm check on spends and the actual implementation of activities as planned;
- Release of funds only against verified utilisations.

9.3 The monitoring system devised by PFT on behalf of PTC INDIA will include:

- Real Time Monitoring(RTM) of CSR Project progress using digital technology wherever possible in addition to the physical monitoring against monitoring standards;
- Regular field visits to Project / Programme sites by designated teams;
- Comprehensive documentation / compilation of Field Reports;
- Regular interaction with beneficiary communities to obtain feedback;
- Monitoring of timely fund utilization to ensure that Projects / Programmes as budgeted are actually being carried out and/or
- Any other activity that the CSR Committee of PTC may deem necessary in the larger interest of its CSR initiatives.
- The monitoring of the projects shall be carried out and quarterly report shall be submitted to the CSR Committee. Wherever required, professional agencies/International Organizations may also be hired for carrying out Monitoring & Evaluation.

10.0 IMPACT ASSESSMENT/EVALUATION OF CSR

10.1 In order to assess the impact of its CSR Projects and Programmes, maximize outcomes and build- in sustainability, scalability and replicability, PTC INDIA, through PFT, shall undertake the following activities:

- Wherever possible, Base line data shall be collected before start of the project.
- Place before the Board, the Impact Assessment reports and annex the same the annual report on CSR
- Projects under CSR having outlay of more than Rs.1 Crore of the annual CSR obligation would have an external review mechanism undertaken by neutral third party/agency to assess the effectiveness of the program on Real Time basis. Key learnings of this review process would be documented for doing mid-course correction as well as incorporation in the future initiatives.

11.0 Reporting and Disclosure

Consistent with values of transparency and accountability to all stakeholders, PTC would maintain a detailed and robust reporting mechanism. The objective of reporting is not only to update our stakeholders, but also to receive their feedback, and incorporate their suggestions into our future CSR strategies. This would include:

- Communication to stakeholders; and
- Key project parameters, implementation process, deliverables envisaged and the outcome achieved along with end line data.

The PTC would share details of its CSR policy, strategy, projects / programmes, activities, monitoring mechanism, implementing agencies, expenditure details as well as the composition of the CSR Committee of the Board, on the corporate website of PTC INDIA i.e. www.ptcindia.com

The PFT would make a full report of the CSR projects/ programmes undertaken during the previous year and submit it to the PTC. The report shall be consistent with the format prescribed for the Annual Report on CSR Activities to be included in the Board of Director's Report in the Companies Act rules, in consonance with Section 134(3)(o) of the Act. The PTC shall review the report and include relevant details in its Annual Report on CSR Activities included in the Board of Director's Report.

12.0 Documentation

- 12.1 PTC INDIA will make a full report of its CSR projects / programmes undertaken during the previous Financial year in the format prescribed for the "Annual Report on CSR Activities to be included in the Board's Report" in the Companies (CSR Policy) Amendment Rules, 2021 which is in consonance with section 134(3)(o) of the Act. Also, Project completion report documenting the key project parameters, implementation process, and deliverables envisaged and the outcome achieved along with end line data and the suggestions / recommendations for scalability and replicability of the project may be developed wherever feasible. Annual CSR Report shall disclose details of the annual CSR and Sustainability Development achievements, agenda and initiatives undertaken during the year.
- 12.2 Documentation of all data generated during project execution shall be maintained by the PFT. The comprehensive documentation would include – printed material, audio recordings, video recordings etc.
- 12.3 A Detailed Project Completion Report would be prepared by PFT upon completion of each project. This shall include documentation of key project parameters, implementation process, deliverables envisaged, the outcome achieved, and recommendations for improvements/ scalability and replicability of the project; and
- 12.4 Documentation and database/ materials including photos/ videos generated during implementation shall be maintained by the PFT.

ACCOUNTING AND AUDITING

- 13.1 PTC INDIA will follow the Accounting and Auditing Guidance Note / Standards duly approved by the Ministry of Corporate Affairs, Government of India, if any.
- 13.2 Both Financial and non-Financial audit of CSR activities and programs shall be done in accordance with the Guidelines issued by Institute of Chartered Accountants of India(ICAI).

Annexure I: Roles & Responsibility Matrix

S. No.	Mechanism	PTC Board of Directors (Board)	CSR Committee (Committee)	PTC Foundation Trust (PFT)
1	Function	Establish, approve, ensure, disclose, support	Review, recommend, act as a go-between	Support PTC Plan, execute, comply, apprise
2	Separation of Verticals	Includes Committee members	Comprised of Board members	Independent- no crossover
3	CSR Policy	Review and approve policy	Review and recommend policy to Board	Comply with policy
4	Proposals	Receive updates as part of periodic report from Committee, Approve the proposals recommended by CSR committee	Recommends CSR proposals to the Board for approval	Receive proposals from external sources and review; Recommend to PTC / CSR Committee as appropriate; Provide consultation to Committee during shortlist process
5	Annual CSR Action Plan & Budget	Receive Plan & Budget from Committee; Review and approve	Receive Plan & Budget from PTC / PFT; Review and recommend to Board	Support PTC Finalize list of projects; Prepare and submit Plan & Budget to Committee for review and recommendation
6	Implementation	Receive updates as part of periodic report from Committee	Receive updates as part of periodic report from PFT	Implement all projects (internally or through third party); Select implementation agency
7	Monitoring	Receive updates as part of periodic report from Committee	Receive updates as part of periodic report from PFT	Conduct/ coordinate all monitoring; Maintain monitoring dashboard; Quality assurance and due diligence;

				<p>Obtain feedback from beneficiaries;</p> <p>Site visits and inspections;</p> <p>Issue payments to vendors and third parties</p>
8	Evaluation	Receive updates as part of periodic report from Committee	Receive updates as part of periodic report from PFT	<p>Arrange evaluation and impact assessments by third parties; wherever required.</p> <p>Obtain feedback from beneficiaries about each programme</p>
9	Reporting and Documentation	<p>Prepare Annual Report on CSR Activities and include in Board of Director's Report;</p> <p>Make report available in the public domain/ company's website</p>	Receive updates as part of periodic report from PFT	<p>Collect baseline data;</p> <p>Prepare field reports for each project;</p> <p>Prepare a Detailed Project Completion Report upon completion of each project;</p> <p>Maintain documentation and database/ materials including photos/ videos generated during implementation.</p>

Annexure - II

List of Approved projects FY 2021-22

Sl. No.	Name of Project	Manner of execution	Modality of utilization of fund/implementation schedule	Monitoring and reporting mechanism for the projects including Real Time Monitoring	Details of Need Assessment/ impact evaluation, if any
1.	Digitalization of 52 Senior Secondary Government Schools in Dausa District, Rajasthan	Through PTC Foundation Trust (PFT)	Rs. 81.12 Lakhs (Fund utilization within FY 2021 – 2022). Project duration One year.	- Monthly Progress Report -Quarterly review meetings by PFT -Regular field monitoring visits by PFT Team.	--
2.	Solar Power for Electricity Generation” for the three kitchens of Akshaya Patra Foundation at Jhalawar, Bhilwara & Nathadwara in Rajasthan	Through PTC Foundation Trust (PFT)	Rs. 113 Lakhs (Fund utilization within FY 2021 – 2022).	- Monthly Progress Report -Quarterly MIS Reports & review meetings by PFT. -Monitoring through Field Visits by PFT Team -Regular Evaluation of savings in units of electricity.	--
3.	“Organize One (1) Day Camp for distribution of Aids & Appliances for Differently Abled Persons” being manufactured & distributed by “Artificial Limbs Manufacturing Corporation of India (ALIMCO)” at Sitamarhi, Bihar	Through PTC Foundation Trust (PFT) by “Artificial Limbs Manufacturing Corporation of India (ALIMCO)”	Rs. 42.0 Lakhs (Fund utilization within FY 2021 – 2022). Project duration One year.	-Visit in Assessment Camps and distribution Camps by PFT Team. -Tracking of Usage of assistive Devices by the beneficiaries.	--
			Total 236.12		

Annexure – III

1.0 DEFINITIONS

- 1.1 "Act" means the Companies Act, 2013 and its subsequent amendments from time to time such as Companies (amendment) Act 2020;
- 1.2 "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- 1.3 "Annexure" means the Annexure appended to the amended CSR rules notified in January 2021;
- 1.4 "Corporate Social Responsibility (CSR)" means the activities undertaken by PTC INDIA in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the rules, but shall not include the following, namely:-
- (i) Activities undertaken in pursuance of normal course of business of the PTC INDIA;
 - (ii) Any activity undertaken by PTC INDIA outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - (iii) Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - (iv) Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - (v) Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - (vi) Activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- 1.5 "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
- 1.6 "CSR Policy" means a statement containing the approach and direction given by the Board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- 1.7 "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -
- (i) Any profit arising from any overseas branch or branches of PTC INDIA, whether operated as a separate company or otherwise; and
 - (ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act;
- 1.8 "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable

justification;

- 1.9 “Public Authority” means ‘Public Authority’ as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005); This clause should be read in the context of Clause no. 7.4(c) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 is with reference to the Transfer of assets.
- 1.10 “Section” means a section of the Act
- 1.11 “Rules” means the Companies (CSR Policy) Rules issued by the Ministry of Corporate Affairs (MCA) as amended from time to time. Any subsequent revisions to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 will be construed to be accepted by PTC INDIA.
- 1.12 “International Organisation” means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;