



POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY OF PTCUL (As approved by the Board in its 80th Meeting held on 22.07.2022)

SHORT TITLE AND COMMENCEMENT

This policy may be called "Corporate Social Responsibility Policy of Power Transmission Corporation of Uttarakhand Limited". In short, this policy shall be termed as "PTCUL's CSR Policy".

This policy shall come into force from the date it is approved by the CSR Committee of the Company and shall be applicable from financial year 2021-22.

PREAMBLE

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations. Corporate Social Responsibility is a company's commitment to its stakeholder's to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The focus of CSR is to share the profits derived from the society for the wellbeing of the Society.

The CSR policy of the company has been drafted in light of the following;

- (1) Section 135 of the Companies Act, 2013
- (2) Companies (Corporate Social Responsibility Policy), Rules 2014
- (3) Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021
- (4) The Circular and notifications issued by the Ministry of Corporate Affairs from time to time

Wherever any amendments are made in the provisions of the Companies Act, 2013 and rules made thereunder on the subject, the same shall be duly incorporated in this policy document. Any modification/amendment in the policy document would be carried out by the CSR committee subject to the approval of the Board of Directors.

DEFINITIONS

In this policy, unless the context otherwise require:

1. 'Act' means The Companies Act, 2013.



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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.
3. 'Board' means the Board of Directors of PTCUL.
4. 'Company' shall mean Power Transmission Corporation of Uttarakhand Limited (PTCUL), A Government of Uttarakhand Enterprise having its registered address at 'Vidyut Bhawan' near I.S.B.T crossing, Saharanpur road, Majra, Dehradun.
5. "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in Companies (CSR Policy) Amendment Rules 2021, but shall not include the following, namely:-
 - (i) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - (ii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - (iii) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - (iv) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - (v) activities carried out for fulfilment of any other statutory obligations under any law in force in India;
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.
7. 'Government' shall mean Government of Uttarakhand and Government of India.



8. 'Ministry' shall mean the Ministry of Corporate affairs, Government of India.
9. "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of Section 135 of the Act.
10. "Ongoing Project" means a multi-year project undertaken by a Company in fulfillment 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.
11. Reporting will be done on annual basis starting from financial year 2021-22.
12. Words and expressions used in this policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

SCOPE

The Corporate Social Responsibility activities shall be undertaken by the Company as a project or program or activities (either new or ongoing Projects) The items that would be undertaken under CSR activities shall be as enumerated in Schedule VII of The Companies Act, 2013 up to date and as amended from time to time.

PTCUL CSR efforts shall be focused on immediate vicinity of the locations of Projects under Implementation within the State of Uttarakhand.

PTCUL may take up CSR activities in areas beyond the district depending on specific requirements like natural calamity, Promotion of education with priority to girls education, Promotion of health care, Skill development training for generating employment, Relief, rehabilitation and reconstruction activities under the disaster management programme as per specific Government directive from time to time.

As per Schedule VII of the Companies Act, 2013 the following should be the scope of Activities under Corporate Social Activities:

- I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swatch



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- Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
 - III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres 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, agro forestry, conservation of natural resources and maintaining quality of soil, air, water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
 - V. 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.
 - VI. Measures for the benefit of armed forces veterans, war widows and their dependents (including Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows).
 - VII. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
 - VIII. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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.
 - IX. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]



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- X. Rural development projects;
- XI. Slum area development.
- XII. Disaster management, including relief, rehabilitation and reconstruction activities.

PREFERRED ACTIVITIES

The company may take up any activities enumerated in schedule VII aforesaid, however priority shall be given to projects and programmes comprising of the following:

1. Promotion of education with priority to girl's education.
2. Promotion of health care.
3. Skill development training for generating employment.
4. Relief, rehabilitation and reconstruction activities under the disaster management programme.

CSR COMMITTEE

CSR Committee has been constituted by Board of Directors on 24th July, 2015 and reconstituted from time to time. Presently the committee comprises of the following directors:

1. Shri N. Ravishanker, Independent Director.
2. Shri R.P. Sasmal, Independent Director.
3. Managing Director, PTCUL, (ex-officio).
4. Director (Finance), PTCUL, (ex-officio).

- The Board of Directors shall have power to nominate more persons to the aforesaid Committee by nominating other members of the Board.
- Managing Director PTCUL shall be the permanent member of the CSR Committee.
- CSR Committee being a statutory sub-committee of the Board, therefore, Company Secretary PTCUL shall be the Secretary.

CRITERIA FOR SELECTION OF CSR ACTIVITIES/PROJECTS

PTCUL shall undertake the CSR Activities conforming to any of the following:

1. Activities identified through need assessment survey periodically and/or inputs from panchayats, district administration, neighbourhood community, various stakeholders including public representatives, other village committees/participatory forums/bodies and suggestions from senior management and CSR Committee of the company.



2. Identified activities should be in line with the preferred list of activities specified in the SCOPE SECTION above out of the activities mentioned in Schedule VII of the Companies Act, 2013 & rules made thereunder.
3. The identified activities should not be in projects programmes already being undertaken by the government or other agencies to avoid duplicity.
4. Any other activity for the benefit of the community at large especially in times of natural calamity and providing relief, rehabilitation and reconstruction activities of the State Disaster Management Programme of the GOU.

CSR IMPLEMENTATION/DELIVERY MECHANISM

The Board shall ensure that the CSR activities are undertaken by the company itself or through –

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, 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
- (b) 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
- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) 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.

PTCUL may also collaborate with other companies for undertaking projects or programmes of CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

Every entity who has been selected by the CSR Committee for undertaking CSR Activities on behalf of the company, shall be a registered entity as per Rule 4 (2) (a) of the Companies (Corporate Social Responsibility) Amendment Rules, 2021.



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The entity selected above shall submit its CSR Registration Number allotted by the Central Government.

(5) The Board shall satisfy itself that the funds so disbursed have been utilised 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 this effect.

(6) In case of ongoing project, the Board 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.

The following guidelines/mechanism shall be followed while executing/undertaking CSR Activities:

1. At the beginning of every financial year, CSR Committee will design an Annual Action Plan for the projects to be undertaken during the year taking into account Section 135 of the Companies Act, 2013 and circulars/notification issued by the Ministry of Corporate Affairs from time to time, company priorities, prior -commitments, budgetary limitations, workability of the projects etc. The Annual Action plan would be executed once the same is approved by the Board of Directors as recommended by the CSR Committee of the company.
2. Activities under CSR except those relating to contribution to funds Specified in Schedule VII shall be in project mode and for every project, time framed periodic milestones should be finalized at the outset.
3. As far as possible, the project other than a (multiyear/ongoing project) should be completed within the financial year.
4. The Multiyear projects should be executed within three years from the date of start. The date of starting of work or release of first instalment, whichever is earlier, shall be considered as project starting date and that year shall be considered as project start year.

MONITORING AND EVALUATION

1. The Managing Director PTCUL shall constitute a Committee comprising of Officers of PTCUL who shall identify the Projects as per this policy and shall monitor the progress of projects and obtain utilization and compliance certificate and report the same to the CSR Committee and perform such other functions as directed by CSR Committee from time to time. The CSR Committee



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may in its absolute discretion can also appoint any External Agency for the identification and monitoring of various CSR Projects under implementation.

2. The CSR Committee shall review the Corporate Social Responsibility Policy from time to time.
3. If the company fails to spend the allocated budget in a particular year, the company shall specify the reasons for not spending the amount in the Directors Report and ensure the transfer of funds as per the provisions of Section 135 of the Companies Act, 2013.
4. PTCUL shall include a separate chapter in the Annual Report on the implementation of CSR Activities/project including the fact relating to physical and Financial progress.
5. Utilization Certificate with statement of expenditure duly certified by a Practising Chartered Accountant/Authorized Auditor will be submitted by the organization/ institution to whom CSR fund is allocated.

METHODOLOGY AND ANNUAL ACTION PLAN

The Board of Directors shall ensure that the Company spends in a financial year at least 2% of the average net profit of the Company made in immediately preceding three financial years in pursuance of the Corporate Social Responsibility activities on preferred activities in the local area and areas where projects of the Company are under implementation.

The CSR Committee 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 preferred activities specified in Schedule VII of the Act as elaborated in scope section of this policy.
- (b) the manner of execution of such projects or programmes as specified.
- (c) the modalities of utilization 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.



Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The CSR Committee shall be specifying the modalities of utilization of funds on such projects and programmes and its monitoring and reporting mechanism. Managing Director will have full powers to implement the CSR Policy and Annual Plan.

CSR EXPENDITURE

(1) The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

(2) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the respective financial year.

a) If unspent amount not relating to an ongoing project

- I. The Board shall, in its report, shall specify the reasons for not spending the amount; and
- II. Unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year

b) If unspent amount relating to an ongoing project

The unspent amount shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account (UCSRA).

(3) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

(4) For Corporate Social Responsibility activities separate corpus shall be maintained and any surplus/un-utilized amount arising out of this activity shall not form a part of the business of the Company and shall be carried forward. The CSR amount may be



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spent by a company for creation or acquisition of a capital asset, which shall be held by –

(a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or

(b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or

(c) a public authority.

CSR REPORTING

As per Section 134(3)(0) of the Companies Act 2013, the details of Corporate Social Responsibility in the prescribed form shall be incorporated in the Report of Board of Directors to the Shareholders and the reasons of unspent amount, if any, shall be explained in such report.

In case the company's average CSR obligation is of Ten Crore Rupees or more in pursuance of Sub Section (5) of Section 135 of the Act, in the immediately preceding three financial years, the company shall undertake impact assessment, through an independent agency of its CSR Projects having an outlay of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Company undertaking impact assessment may book the expenditure 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 lac rupees, whichever is less.

Display of CSR activities on website.

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.



LIMITATION, CONTROL, AMENDMENT AND REPEAL

The implementation, additions, alterations and interpretation of CSR policy shall fall in the ambit and domain of CSR Committee which shall be the final authority in these matters. All major amendments or repeal of the policy shall require approval from the Board.

Any point not covered by this policy would be interpreted in accordance with the Companies Act, 2013, Companies (CSR Policy) Rules as amended from time to time. Any subsequent amendment made to the Act, Schedule VII and Rules shall also be considered as part of this policy.

THE UNIVERSITY OF CHICAGO

DEPARTMENT OF CHEMISTRY

MEMORANDUM FOR THE RECORD
DATE: 1954
SUBJECT: [Illegible]

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