

Punjab Information & Communication Technology Corporation Limited (PICTCL)

Corporate Social Responsibility (CSR) Policy

1. PURPOSE

This policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made there under and other applicable laws to the Corporation.

2. DEFINITIONS

- (i) "Act" means the Companies Act, 2013.
- (ii) "Board of Directors" or "Board" means the collective Body of the Directors of the Corporation.
- (iii) "Corporation" means "Punjab Information & Communication Technology Corporation Limited"
- (iv) "CSR Policy" means CSR Policy of the Corporation
- (v) "CSR Rules" mean the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (vi) "Implementing Agency" means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the Corporation to implement various projects in pursuance of CSR Policy.

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the Corporation.

3. FUNCTIONS OF BOARD OF DIRECTORS

Following are the functions to be discharged by the Board of Directors :

- a) To formulate a CSR Policy indicating the activities to be undertaken by the Corporation in areas or subject specified in Schedule VII to the Act
- b) To formulate an annual action plan in pursuance of CSR Policy
- c) To approve the amount of expenditure to be incurred on the activities referred to in clause (a)
- d) To ensure expenditure of requisite amount on CSR every year as per law.
- e) Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board
- f) To approve transfer of unspent CSR Amount in accordance with the law, if applicable.
- g) In case of an ongoing project, monitor the implementation of the project with reference to the approved timelines and year-wise allocation and to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- h) To monitor the CSR Policy from time to time.

- i) To Place the CSR Policy on the Company's website and to ensure that any changes/ modifications to the CSR Policy are immediately updated on the website.
- j) To ensure implementation of the activities under CSR Policy.
- k) To disclose reasons for not spending the amount (if applicable) in the Annual Report to the shareholders of the Company.
- l) To modify, add, or amend the CSR Policy from time to time.
- m) To make alteration in annual action plan at any time during the financial year based on the reasonable justification to that effect.

4. CSR ACTIVITIES

Corporation shall undertake CSR activities for development of the society and the environment, preferably in the vicinity of the areas where the facilities of the Corporation are located/in the State of Punjab.

A. The Corporation shall undertake such activities which are broadly related to any of the following:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation;
- 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 and water;
- 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 art and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- viii. Rural development projects;
- ix. Slum area development.
- x. Disaster management, including relief, rehabilitation and reconstruction activities;

B. The Corporation may also contribute to the following funds as part of CSR activities:

- (i) Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (iii) 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 schedule caste, tribes, other backward classes, minorities and women;
- (iv) 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;
- (i) 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 Defence 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).

The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the Corporation.

5. ANNUAL ACTION PLAN

The Board shall formulate and recommend an annual action plan which shall include the following:

- (a) The list of CSR projects or programmes that are approved and to be undertaken by the Corporation;
- (b) The manner of execution of such projects or programmes;
- (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 Corporation.

The Board of Directors are empowered to alter the annual action plan during the financial year based on the reasonable justification to that effect.

6. CRITERIA FOR IDENTIFYING THIRD PARTY CSR ORGANIZATIONS

The Corporation may also undertake CSR activities through identified external agencies such as:

- 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.

Every entity, mentioned above and who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies.

The corporation may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

The corporation may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner as prescribed under the law.
