

CORPORATE SOCIAL RESPONSIBILITY POLICY

Philosophy

The Company is a corporate citizen, with resources at its command and benefits which it derives from operating in society in general. It therefore owes a solemn duty to the less fortunate and under-privileged members of the same society.

The Companies Act 2013 and the rules made there under specifies the following guidelines to be followed for undertaking CSR activities:

➤ **Where to spent;**

Amount for CSR activity is to be spent on Project/s or Programme/s in the following domains as specified in schedule VII of Companies Act 2013 and as may be prescribed by the regulatory authority:

- a) eradicating extreme hunger and poverty and malnutrition and sanitation (including contribution to the swachh bharat kosh) and making available safe drinking water (including contribution to the clean ganga fund set-up for rejuvenation of river Ganga);
- b) promotion of education, including special education and employment enhancing vocational skills;
- c) promoting gender equality and empowering women;
- d) reducing child mortality and improving maternal health;
- e) combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- f) ensuring environmental sustainability;
- g) employment enhancing vocational skills;
- h) social business projects; contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or a State Government for socio-
- i) economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
- j) Rural development projects
- k) Swachh Bharat Abhiyaan
- l) Clean Ganga Project
- m) Slum area development

The above list is indicative only and will include other areas of CSR initiatives as updated by Ministry of Corporate Affairs, Government of India by amending Companies (Corporate Social Responsibility Policy) Rules 2014 vide notifications issued from time to time. All activities should be environment friendly & socially acceptable to the society.

➤ **How to spend**

The Company may decide to undertake its CSR activities through a Registered Trust or a Registered Society or a Company established by the company (PNBISL) or its Holding or Subsidiary or Associate company under section 8 of the Act (Non Profit making company) or otherwise:

The prescribed rules further states that

- a. If such trust, society or company is not established by the spending company or its holding or subsidiary or its associate company, it shall have an established track record of three years in undertaking similar programs or projects.
- b. The spending company has to specify the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

A company may also collaborate with other companies for undertaking project/s or program/s or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such project/s or program/s.

➤ **What amount to spend;**

The Company has to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years. Average net profit is to be arrived at in accordance with the provision of section 198 of the Companies Act 2013.

➤ **Other Specified directions for spending the Amount**

- a) Preference to the local area and areas around it where the Company operates.
- b) CSR activities do not include the activities undertaken in pursuance of normal course of business of a company or activities that benefit only the employees of the company and their family.

Company's Policy

PNB investment Services Ltd. aims at empowering the economically weaker and underprivileged section of the society by investing in promotion of education, employment enhancing vocational skills, promoting healthy nation.

CSR Budget allocation may be made towards one or more of the following projects/ areas on a year on year basis:

1. Promoting education, including special education and employment enhancing vocational skills specially among children, women, elderly and differently abled and livelihood enhancement projects.
2. Making contribution to the Swachh Bharat Kosh set-up by the Central Government for Promoting health care including preventive health care and sanitation including undertaking of activities related to Sachh Bharat Abhiyaan programme.
3. Ensuring environmental sustainability (by planting trees & shrubs), protection of flora and fauna, animal welfare, 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.
4. Making Contribution to NGOs preferably around the location of work of the company having track record of at least 10 years.
5. Pooling Funds with CSR activities of the Parent Company, to be contributed towards the eligible trust of the parent bank for promoting women & child welfare, women empowerment, enhancing vocational skills and working in field of education for economically weaker sections, etc.
6. Making Contribution to "Prime Minister national Relief Fund", which is utilized primarily to render immediate relief to families of those killed in natural calamities like floods, cyclones and earthquakes, etc. and to the victims of the major accidents and riots. Assistance from PMNRF is also rendered, to partially defray the expenses for medical treatment like heart surgeries, kidney transplantation, cancer treatment, etc of needy and people who cannot afford such expense.

CSR amount as approved by the board on recommendation of CSR Committee shall be contributed in one or more of the above projects within one financial year. However if the allocation made for the CSR activities is not utilized for the said project, the amount so set aside will be carried forward to the next year for its subsequent utilization and the reasons for non- utilization will have to be reported in the Directors report.

Reporting:

Board of Directors of the company in their annual report have to disclose about the implementation of CSR guidelines, including composition of the CSR Committee and the content of approved CSR policy.

CSR policy, Projects of CSR activity and Spending are also to be displayed in the prescribed format on the Corporate Website of the Company.

Review and Amendment

This Policy shall be reviewed annually and/or may be amended or substituted by the CSR Committee or by the Board as and when required and where there is any statutory changes necessitating the change in the policy

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVE- PNB INVESTMENT SERVICES LIMITED
FOR FINANCIAL YEAR 2018-19**

CSR SPENT DURING FINANCIAL YEAR 2018-19: NIL

Since Average net profit of Last 3 Financial year under section 198 of the Companies Act, 2013 is less than 5 crore and company is not falling in any of the criteria set out in Sub Section 1 of Section 135 of the Companies Act 2013. Hence, there is no requirement to contribute in CSR Activities for the FY 2018-19.