

**IMPACT ASSESSMENT REPORT
OF
PNC INFRATECH LIMITED**

CSR IMPACT ASSESSMENT – UNDERSTANDING THE BASICS

Corporate Social Responsibility (CSR) impact assessment is a systematic process employed by organizations to evaluate the effects of their CSR initiatives on various stakeholders, including employees, customers, communities and the environment.

This comprehensive assessment aims to determine the extent to which CSR activities align with organizational goals and societal expectations. By utilizing both qualitative and quantitative methods, CSR impact assessment seeks to capture a holistic view of the social, economic and environmental outcomes of corporate actions.

The process typically involves identifying key performance indicators, collecting relevant data, and analysing this data to measure the effectiveness and efficiency of CSR programs.

Furthermore, CSR impact assessment provides insights into stakeholder perceptions, community engagement and overall social impact of corporate initiatives. It also helps the organizations, especially the core group, leading the CSR initiatives in an organization, including the CSR Committee and the board of directors of the Organisation, to identify areas for improvement, ensure compliance with legal and ethical standards, and enhance their reputation by demonstrating a commitment towards social and sustainable responsibility.

In simple words, a thorough understanding of CSR impact assessment is essential for businesses aiming to create sustainable value and foster long-term positive relationships with their stakeholders and society, as a whole.

NEED FOR IMPACT ASSESSMENT

The need for impact assessment in Corporate Social Responsibility (CSR) is driven by several critical factors:

- 1. Accountability and Transparency:** Impact assessment ensures that organizations are accountable for their CSR activities and transparent about their outcomes. It helps stakeholders, including investors, customers, employees, and the public, understand how the organization's actions are affecting society and the environment.
- 2. Strategic Improvement:** By evaluating the impact of CSR initiatives, organizations can identify what works and what doesn't. This knowledge enables them to refine their strategies, allocate resources more effectively, and maximize the positive outcomes of their CSR programs.

3. **Compliance and Risk Management:** Impact assessment helps organizations ensure that their CSR activities comply with legal and regulatory requirements. It also aids in identifying and mitigating potential risks associated with their operations, thereby protecting the organization's reputation and reducing the likelihood of negative consequences.
4. **Stakeholder Engagement:** Understanding the impact of CSR initiatives allows organizations to engage more effectively with their stakeholders. It provides a basis for meaningful dialogue, fosters trust, and enhances the organization's relationship with its community, customers, employees, and other key stakeholders.
5. **Sustainable Development:** Impact assessment supports the broader goal of sustainable development by ensuring that CSR activities contribute positively to economic, social, and environmental sustainability. It helps organizations align their efforts with global sustainability standards and goals, such as the United Nations Sustainable Development Goals (SDGs).
6. **Performance Measurement:** Regular impact assessments enable organizations to measure the performance of their CSR initiatives against set objectives and benchmarks. This ongoing evaluation helps in tracking progress, reporting results, and demonstrating the value of CSR to internal and external audiences.
7. **Competitive Advantage:** Organizations that effectively assess and communicate the impact of their CSR activities can gain a competitive edge. Demonstrating a genuine commitment to social responsibility can enhance brand loyalty, attract top talent, and differentiate the organization in the marketplace.

The need for impact assessment in CSR arises from the necessity to ensure accountability, improve strategic decision-making, comply with regulations, engage stakeholders, promote sustainable development, measure performance, and achieve a competitive advantage. Through rigorous impact assessment, organizations can better understand and enhance the positive effects of their CSR initiatives, ultimately contributing to a more just and sustainable world.

IMPORTANCE OF ORGANISATION(S) TO ESTABLISH CSR GOALS

The growing importance for companies to establish Corporate Social Responsibility (CSR) goals is driven by several key factors:

1. **Consumer Expectations:** Today's consumers are more socially and environmentally conscious. They prefer to support companies that demonstrate a commitment to ethical practices and sustainable development. Establishing CSR goals helps companies meet these consumer expectations and build brand loyalty.
2. **Regulatory Pressure:** Governments and regulatory bodies are increasingly implementing laws and guidelines related to social and environmental responsibilities. Companies are expected to comply with these regulations, and establishing CSR goals ensures that they are proactively addressing these legal requirements.
3. **Investor Demand:** Investors are placing greater emphasis on Environmental, Social, and Governance (ESG) criteria when making investment decisions. Companies with clear CSR goals are more likely to attract investment from socially responsible investors who seek to support businesses that contribute positively to society and the environment.
4. **Employee Engagement and Retention:** Employees, particularly younger generations, are increasingly valuing purpose-driven work. Companies with strong CSR goals can attract and retain top talent by fostering a sense of pride and alignment with the Organisation's values and mission.
5. **Risk Management:** CSR goals help companies identify and mitigate potential risks associated with social, environmental, and governance issues. By proactively addressing these areas, companies can prevent negative incidents that could harm their reputation and financial performance.
6. **Brand Reputation:** Establishing and achieving CSR goals enhances a Organisation's reputation. A strong CSR program can differentiate a Organisation from its competitors, build public trust, and enhance its overall image as a responsible corporate citizen.
7. **Long-term Sustainability:** CSR goals are integral to a Organisation's long-term sustainability. By focusing on social and environmental impacts, companies can ensure that they are contributing to sustainable development, which is essential for the long-term viability of both the business and the broader society.

8. **Stakeholder Engagement:** Clear CSR goals facilitate better engagement with various stakeholders, including customers, employees, investors, communities, and suppliers. Effective CSR initiatives foster trust and collaboration, leading to stronger relationships and support from these stakeholders.
9. **Innovation and Efficiency:** Pursuing CSR goals often drives innovation and operational efficiencies. Companies are encouraged to develop new products, services, and processes that are more sustainable and socially responsible, leading to cost savings and competitive advantages.
10. **Global Standards and Frameworks:** The growing adoption of global standards and frameworks, such as the United Nations Sustainable Development Goals (SDGs) and the Global Reporting Initiative (GRI), emphasizes the importance of CSR. Companies are increasingly aligning their goals with these international benchmarks to contribute to global sustainability efforts and improve their reporting transparency.

The growing importance of establishing CSR goals for Companies stems from the need to meet evolving consumer and investor expectations, comply with regulations, attract and retain talent, manage risks, enhance reputation, ensure long-term sustainability, engage stakeholders, drive innovation, and align with global standards. By setting and pursuing CSR goals, companies can create value for both their business and society, fostering a more sustainable and equitable future.

ABOUT THE ORGANISATION

The organisation ("**PNC Infratech Limited**") is a premier infrastructure development Organisation, integrates environmental and social considerations into its business operations, demonstrating a robust commitment towards Corporate Social Responsibility (CSR).

This report outlines the Organisation's commitment through detailed reviews of various projects which are in line with the brief outline of the organisation's CSR Policy which are as follows:

- a. Promoting Healthcare, Eradicating Hunger, Poverty and Malnutrition, and making available safe drinking water.
- b. Promoting education among children and women.
- c. Promoting Art & Culture.

- d. Animal Welfare & Agro Forestry.
- e. Empowering Women.
- f. Rural Development.
- g. Sports and Culture.
- h. Disaster Management.
- i. Ensuing Environmental Sustainability, ecological balance

The organization orchestrated its commitments in the form of CSR, which categorically aims to deliver an overarching view of its initiatives through numbers, impact pathways, and stories of the people whose lives the organization has touched and the inspiring journeys it has enabled.

PHILOSOPHY OF ORGANISATION TOWARDS CSR

“PNC Infratech Limited recognizes that as an Infrastructure Development Organisation, operations have an impact on society and on the environment. PNC promotes its CSR activities based on the conviction that all business activities must take CSR into consideration. PNC strongly believes that the road infrastructure, it is building and financing today will shape the communities of tomorrow.

PNC believes that CSR is a concept whereby an organization serves the interest of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.

CSR is therefore, the organization’s commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders.”

VISION OF ORGANISATION TOWARDS CSR

“Their vision is “To actively contribute to the social and economic development of the community in which, we operate”. In doing so, we build a better, sustainable way of life for the weaker sections of society and raise the country’s human development Index. As a corporate entity, the Organisation is committed towards sustainability.

In alignment with vision of the Organisation, PNC, through its CSR initiatives, will continue to enhance value creation in the society and in

the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth & economic development for the society and community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

Our Board of Directors, Senior Management and all employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.”

SIGNIFICANCE OF IMPACT ASSESSMENT

The significance of impact assessment on Corporate Social Responsibility (CSR) lies in its ability to systematically evaluate the effects of CSR initiatives on various stakeholders and the environment. Here are the key aspects of its significance:

1. **Measurement of Effectiveness:** Impact assessment provides a structured approach to measuring the success and effectiveness of CSR initiatives. It helps organizations determine whether their efforts are achieving the desired outcomes and making a meaningful difference.
2. **Data-Driven Decision Making:** By collecting and analyzing data, impact assessments enable organizations to make informed decisions. This data-driven approach ensures that CSR strategies are based on evidence rather than assumptions, leading to more effective and efficient programs.
3. **Accountability and Transparency:** Conducting impact assessments fosters accountability by requiring organizations to track and report on their CSR activities. This transparency builds trust with stakeholders, including customers, employees, investors, and the community, demonstrating a genuine commitment to social and environmental responsibility.
4. **Continuous Improvement:** Impact assessments highlight areas where CSR initiatives are succeeding and areas needing improvement. This feedback loop allows organizations to refine their strategies, address shortcomings, and continuously enhance the impact of their CSR efforts.
5. **Stakeholder Engagement:** Understanding the impact of CSR initiatives helps organizations engage more effectively with stakeholders. It provides a basis for meaningful dialogue, enhances

stakeholder relationships, and ensures that the needs and expectations of various groups are being met.

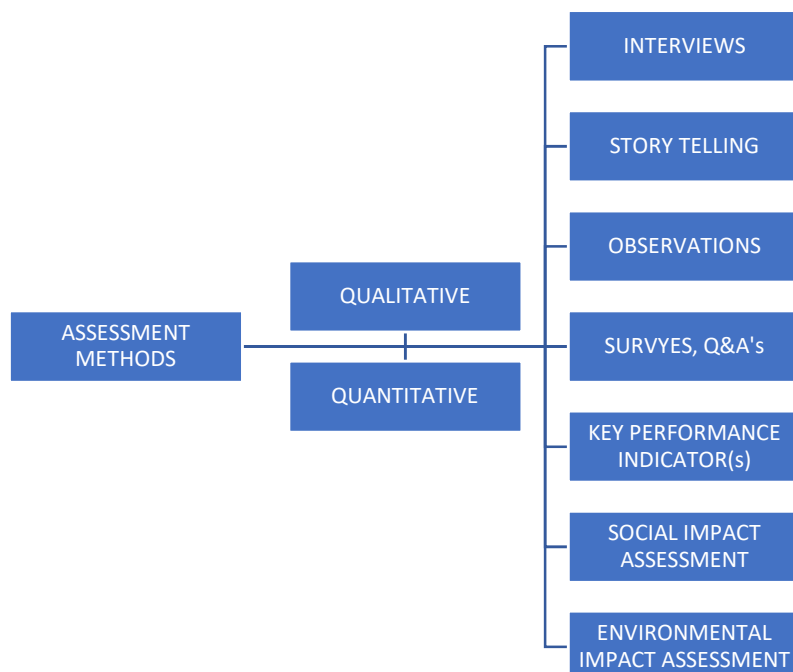
6. **Risk Management:** By identifying potential negative impacts and risks associated with CSR activities, impact assessments help organizations mitigate these risks. This proactive approach prevents potential harm to the organization's reputation and ensures compliance with legal and ethical standards.
7. **Alignment with Strategic Goals:** Impact assessments ensure that CSR initiatives are aligned with the organization's strategic goals and values. This alignment enhances the coherence and integration of CSR within the overall business strategy, contributing to long-term sustainability.
8. **Enhancing Social and Environmental Value:** The ultimate goal of CSR is to create positive social and environmental value. Impact assessments help organizations quantify this value, demonstrating their contribution to societal well-being and environmental sustainability.
9. **Benchmarking and Reporting:** Impact assessments provide a basis for benchmarking CSR performance against industry standards and best practices. They also facilitate comprehensive and credible reporting to stakeholders, enhancing the organization's reputation and credibility.
10. **Attracting Investment and Talent:** Demonstrating the positive impact of CSR initiatives can attract socially responsible investors and top talent who are looking to work for organizations that align with their values and are committed to making a positive difference.

In summary, the significance of impact assessment on CSR lies in its ability to measure effectiveness, inform decision-making, ensure accountability, drive continuous improvement, engage stakeholders, manage risks, align with strategic goals, enhance social and environmental value, facilitate benchmarking and reporting, and attract investment and talent. Through rigorous impact assessment, organizations can maximize the positive outcomes of their CSR initiatives and contribute to a more sustainable and equitable world.

METHODS DEPLOYED DURING IMPACT ASSESSMENT

Impact assessment methods in Corporate Social Responsibility (CSR) are diverse and can be categorized into qualitative and quantitative

approaches. Each method offers unique insights and are tailored to specific CSR initiatives and goals.



These common methods which have been used in the assessment, are described as follows:

Qualitative Methods

1. **Interviews:** We have conducted structured and semi-structured interviews with stakeholders, including employees, community members, and beneficiaries, to gather in-depth insights into their perceptions and experiences related to the CSR initiatives undertaken by the organization.

During the interview with one of the beneficiaries, “**Deendayal Kamdhenu Gaushala Samiti,**” the entire community of Gau-rakshaks expressed profound appreciation for the organization’s commitment to the Deendayal Cow Science, Research, and Training Centre. This centre includes the construction of world-class laboratories such as the Translational Research Centre, the Molecular Biological Testing Lab, and the Animal Lab. The organization's initiative has also supported other programs of the Gaushala Samiti, including the Veterinary Hospital, Panchgavya Pharmacy, Annapurna Kendra and Rozgar Parikshan Kendra.

The organization has demonstrated a strong commitment to providing food and medicines for animals, as well as training for

multifaceted pharmacists. This training initiative is another project undertaken by the organization in the last fiscal year (2022-23). In the current fiscal year of 2023-24, the organization has allocated approximately INR 0.80 Crores towards "**Animal Welfare**" project initiatives for CSR in the vicinity of its registered office (Mathura).

2. **Focus Groups:** While assessing the impact, we have also organized focus group discussions to collect qualitative data on the attitudes, opinions and suggestions of different stakeholder groups regarding the impact of CSR activities that has been undertaken by the organisation and found that the few of the stakeholders were in real need of the **educational support** which the organisation had provided. The organisation's majority spending was in the "**Promoting education**" project which tantamount to nearly INR 9.5 Crores out of the total estimate of INR 14.37 Crores in the current fiscal year of 2023-24.

Note: The organisation had undertaken the CSR expenses, directly to the beneficiary and also through various other charitable institutions / private schools / NGOs. The similar activity had been carried forward from several years and promoting education is one of the key projects which has been undertaken by the organisation.

3. **Case Studies:** While assessing the impact, we tried to develop detailed case studies that describe specific CSR projects and their outcomes, providing a narrative that highlights successes, challenges and lessons learned.

In this report, we had the opportunity to meet Mrs. Neetu Sharma, a resident of Agra city, Uttar Pradesh. According to her statement, she was widow and in urgent need of financial assistance. She became aware of the organization's educational promotion initiative, where the organization acts as a grantor to promote education at the grassroots level. Consequently, Mrs. Sharma approached the organization seeking support to ensure her children's educational continuity. During our assessment, we also interacted with her children, who made an effort to converse in English and demonstrated awareness of the organization's support, which she recognized as crucial for her education.

Similar circumstances were observed in the cases of Ms. Munni Devi and Ms. Munesh Devi, both of whom approached the organization seeking educational support.

4. **Observation:** We have also directly observed and monitored the implementation and impact of CSR activities in real-time and were unable to capture any nuances and contextual factors, contrary of the initiatives.
5. **Storytelling:** This had the major impact on the society as the personal stories have been shared by the beneficiaries and their families specifically the beneficiaries of "**BE KIND**". We have also received the oral testimonials from children / their families who have been positively affected by the organization's CSR efforts. It has been seen that there was a positive human impact of these initiatives undertaken by the organisation.

Quantitative Methods

1. **Surveys and Questionnaires:** We had designed and distributed surveys to collect quantitative data on stakeholder perceptions, satisfaction and the perceived impact of CSR initiatives. The data had been analysed statistically to identify trends and patterns.
2. **Key Performance Indicators (KPIs):** There are certain KPIs which has been specifically measured which directly / indirectly indicates performance and impact of CSR activities undertaken by the organisation. We have the measured the KPIs in certain metrics such as the number of people served, the amount of money invested in community projects, continuity of the projects and so on.
3. **Social Return on Investment (SROI):** We have also calculated the social, environmental and economic value created by CSR activities compared to the investment made.
4. **Cost-Benefit Analysis (CBA):** We also put our endeavours to compare the costs associated with implementing CSR initiatives to the benefits they generate. Through this, we intend to determine the financial viability and overall value of CSR projects.
5. **Environmental Impact Assessment (EIA):** Another most important assessment during this impact study was to measure the environmental impact of CSR initiatives taken by the organisation which includes the changes in resource use, emissions, waste production and biodiversity.

Mixed Methods

1. **Balanced Scorecard:** Another aspect wherein the organisation's CSR initiatives assessed was by integrating both qualitative and

quantitative data into a balanced scorecard framework to assess CSR performance across multiple dimensions including customer, internal processes, learning and growth perspectives.

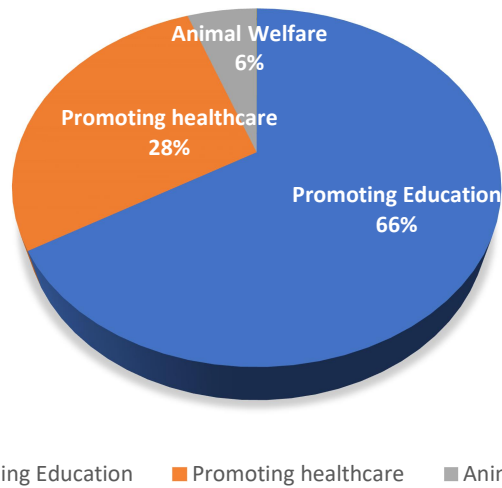
2. **Theory of Change (ToC):** We have induced a developed Theory of Change model that outlines the expected pathways through which CSR initiatives shall be leading to desired outcomes. This method, when applied, involved mapping out inputs, activities, outputs, outcomes and impacts and using a mix of qualitative and quantitative data to validate the model.
3. **Participatory Impact Assessment:** We have also engaged stakeholders directly in the impact assessment process through participatory methods such as workshops, collaborative mapping, and co-design of evaluation criteria. This ensured that the perspectives and priorities of those affected by CSR activities were considered and actually delivered.

To sum up, while assessing the impact of the CSR initiative by the organisation, we have used various methods which encompass a range of qualitative, quantitative and mixed approaches. Since each method has its strengths and may be selected based on the specific objectives, resources, and context of the CSR initiatives has been evaluated.

By employing a combination of these methods, we have assessed and obtained a comprehensive understanding of the impact of their CSR activities and at the same time, we also assessed that whether there is a need of continuous improvement in their social and environmental contributions.

We have also reached out to partners and stakeholders with a purposeful approach to share learnings, to build more synergy and enhance outcomes towards achieving the Sustainable Development Goals.

Sector wise Expenditure



During FY 2023-24, the organisation had contributed INR 14,37,40,176/- towards CSR initiative, out of which majority had been spent in promoting education and constructing and building / extending new healthcare facilities in order to meet needs based and impactful Corporate Social Responsibility.

1. Animal Welfare & Agro Forestry



Construction site of Deendayal Cow Science, Research and Training Centre



Deendayal – Cow Entrepreneur and Gaushala.

- **Objective:** To enhance biodiversity and support research practices.
- **Activities:** Establishment of Gaushalas, Propagation of the program of Cow conservation, promotion and breed improvement of cattle and explaining their importance to fragrance and conducting training classes, establishment of a cow research centre, establishment of a hospital for cattle and giving priority to homeopathic method and Ayurvedic treatment of cattle.
- **Amount Spent:** Initiatives taken worth of INR 79,55,000/- towards Animal welfare program by the organisation in the financial year ended 2023-2024.
- **Impact:**
 - Support provided for maintenance of more than 100 cattle, multifaceted pharmacists were trained, research centre is under construction, Nari Prashiksharn Kendra established.
 - Increase in local biodiversity by cattle breeding measured by a 25% increase in local flora and fauna.
 - Interviews: Interviews and personal visit(s) were done to Deendayal Kamdhenu Gaushala Samiti, progress of construction of Anusandhan Kendra was seen on site and research-based studies has increased the sale of Panchgavya pharmacy.
- **Sustainability Measures:** Awareness among the community about the research-based pharmacy supplies that shall ensure long-term viability of research centre.

2. Promoting Healthcare, Poverty and Malnutrition Reduction, Eradicating Hunger and making available safe drinking water



Dr. VITHALRAO VIKHE PATIL FOUNDATION'S - COLLEGE FOR MEDICAL STUDIES (PHYSIOTHERAPY)

- **Objective:** To support and provide affordable health services and to improve the infrastructure of medical colleges.
- **Activities:** Direct donation to the needy persons, Leprosy patients welfare, support infrastructure development of the Medical colleges.
- **Amount Spent:** Initiatives taken worth of INR 4,03,15,201/- towards Promoting healthcare program by the organisation in the financial year ended 2023-2024.
- **Impact:**
 - Over 250 individuals were direct / indirect beneficiaries of the above-mentioned initiatives.
 - Purchase of latest medical hospital instruments were undertaken which are being used to treat the patients in the medical college.
 - Construction / extension of hospital building and hostel building for medical students.
 - Stories from Beneficiaries: A personal story from a mother in Agra whose child's was suffering from early stage symptoms of leprosy. Her child's health improved significantly after receiving the support from Leprosy welfare society being the implementing agency in the organisation's initiative.

- **Sustainability Measures:** Partnerships with local NGOs to continue health education, improvement of infrastructure provided in the medical colleges with state-of-the-art equipment, supplement distribution in order to avoid malnutrition and related continuous efforts.

3. Promoting Education



- **Objective-** To strengthen the Indian education system.
- **Activities:** Educational CSR campaigns can help to increase access to education by providing scholarships, financial aid and other support services.

Reduced dropout rates: Educational CSR campaigns can help to reduce dropout rates by providing students with motivation and support.

- **Amount Spent:** Initiatives taken worth of INR 9,54,34,975/- towards Promoting education program by the organisation in the financial year ended 2023-2024.

- **Impact:** improving educational outcomes, increasing access to education, reducing dropout rates and improving community development. By supporting these campaigns, organisation have made a real difference in the lives of children and youth.
- **Beneficiary Cities:** Agra, Ahmednagar, Aurangabad, Firozabad, Hathras, Kotdwara, Nashik, Pune, Thane, Agra, Sagar, Mathura, Delhi, Indore, Ranchi, Kanpur.
- **Beneficiary States:** UP, Haryana, Maharashtra, MP, Karnataka, Delhi
- **Sustainability Measures:** Educational initiatives that had undertaken as part of CSR activities include building schools, supporting teacher training programs, providing scholarships and learning materials, supporting digital education initiative and allied activities.

CONCLUSION

The organisation's CSR initiatives have shown significant positive impacts across several key areas of social concern, clearly reflecting the organisation's commitment to fostering sustainable development and community welfare.

Beneficiary Impact and Geographic Reach

- **Detailed Demographics:** The projects reached diverse groups including children, women and the elderly across multiple states such as Uttar Pradesh, Madhya Pradesh, Haryana, Maharashtra, Delhi and Karnataka.
- **Qualitative and Quantitative Benefits:** Enhanced access to healthcare and sustainable animal welfare practices, research-based pharmacies documented improvements in income levels and health indicators of the beneficiaries.

Sustainability and Future Recommendations

- **Assessment of Sustainability:** Evaluation of each project's long-term impact, with recommendations for improving project design to ensure durability and greater community ownership.
- **Recommendations for Improvement:**
 - Enhanced stakeholder engagement strategies.
 - Increased funding allocations for environmental sustainability.

- Implementation of a robust monitoring framework.

Annexures

- Financial reports detailing CSR expenditures.

References

Data Collection

Data for this assessment was collected using a combination of direct interviews, beneficiary surveys, financial audits, and on-site inspections. Statistical analysis and thematic interpretation methods were applied to evaluate the outcomes against set objectives. The entire set of data, collected / collated / prepared has been handed over to the organisation (in original) with this report.

Evaluation Criteria

The projects were evaluated based on their relevance, effectiveness, efficiency, impact, and sustainability. These criteria align with international best practices for CSR impact assessments.

- Organisation records.
- Feedback from stakeholders.
- Compliance documents with the Companies Act, 2013.