



Prakash Industries Limited

CSR POLICY

Introduction

Prakash Industries Limited (PIL) is committed to operate and grow its business in a socially responsible way with a vision to be an environment friendly corporate citizen. PIL has taken up various corporate social responsibility initiatives earlier and will continue to do so in future. This shall enable us to fulfil our commitment to be a socially responsible corporate citizen.

Constitution of a corporate social responsibility committee of the Board of Directors and formulation of a corporate social responsibility policy has become mandatory for Prakash Industries Limited under Section 135 of the Act (as defined below). Accordingly, the Board has in its meeting held on 28th May, 2014 constituted a CSR Committee (as defined below). The CSR Committee has formulated and recommended to the Board this CSR Policy (as defined below) which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

I. Objective of the CSR Policy

- (i) Outlining the projects, programs and activities to be undertaken by PIL;
- (ii) Specification of the modalities of execution of such projects, programs and activities;
- (iii) Monitoring of the process to be followed for such projects, programs and activities;
- (iv) Directly or indirectly take up the programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
- (v) Generate community goodwill for PIL and help reinforce a positive and socially responsible image, through our CSR Activities.

II. Definitions

- (i) In this CSR Policy, unless the context otherwise requires;
 - a) “**Act**” shall mean the Companies Act, 2013, including any modifications, amendments or re-enactment thereof.
 - b) “**Agency**” or “**Agencies**” shall mean any Trust or registered society or a company established under Section 8 of the Act by the Company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary company of such other company, or otherwise; provided that (i) if such Trust, society or company is not established by the Company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking programmes and projects that are similar to the programmes and projects that are proposed to be undertaken by the

Company pursuant to this CSR Policy and (ii) the Company has specified the project or programmes to be undertaken through such entities, the modalities of utilization of funds on such projects and programmes and the monitoring and reporting mechanism; provided further that the Trust or registered society or Section 8 company has been created exclusively for undertaking CSR Activities or where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

- c) “**Annual Plan**” shall mean the annual planned CSR Expenditure as approved by the Board on the recommendation of the CSR Committee, for a particular Financial Year.
- d) “**Approved Budget**” shall mean the total budget as approved by the Board of the Company which is to be spent or utilized for CSR Activities.
- e) “**Average Net Profits**” shall mean the average net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR Expenditure has to be calculated.
- (f) “**Board**” shall mean the Board of Directors of the Company.
- (g) “**Company**” shall mean Prakash Industries Limited (PIL)
- (h) “**CSR Activities**” shall mean all the Corporate Social Responsibility activities / programmes / initiatives of the Company, either ongoing or new, which are in conformity with the activities specified in Schedule VII to the Act (as amended from time to time) in and around the registered office, corporate office, sales offices, manufacturing facilities/plants, warehouses of the Company, its subsidiaries and associates wherever located, as recommended by the CSR Committee and approved by the Board.
- (i) “**CSR Committee**” shall mean the Corporate Social Responsibility Committee as constituted by the Board in accordance with the Act and the Rules, comprising of three or more Directors, out of which, at least one director shall be an independent director.
- (j) “**CSR Expenditure**” shall mean all expenditure on CSR Activities as recommended by the CSR Committee and approved by the Board including the following;
 - 1) Contributions to CSR Activities which shall be implemented and / or executed by the Company; and
 - 2) Contributions to CSR Activities which shall be implemented through any Agency established / registered to carry on the CSR Activities as defined under and in accordance with the Rules and any circulars issued by the Ministry of Corporate Affairs.
- (k) “**CSR Policy**” shall mean this corporate social responsibility policy of the Company.
- (l) “**Financial Year**” shall mean the period beginning from April 1 of every year to March 31 of the succeeding year.
- (m) “**Group Companies**” shall mean holding companies, subsidiaries and associate companies of the Company.

- (n) **“Rules”** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any modifications, amendments or re-enactment thereof.
- (o) **“Thrust Areas”** shall mean the areas or activities described as such in this CSR Policy, as amended by the CSR Committee, from time to time.
- (p) **“Trust”** shall mean a trust formed and registered under the Indian Trust Act, 1882 and under the Income Tax Act, 1961 for those states where registration of trust is not mandatory

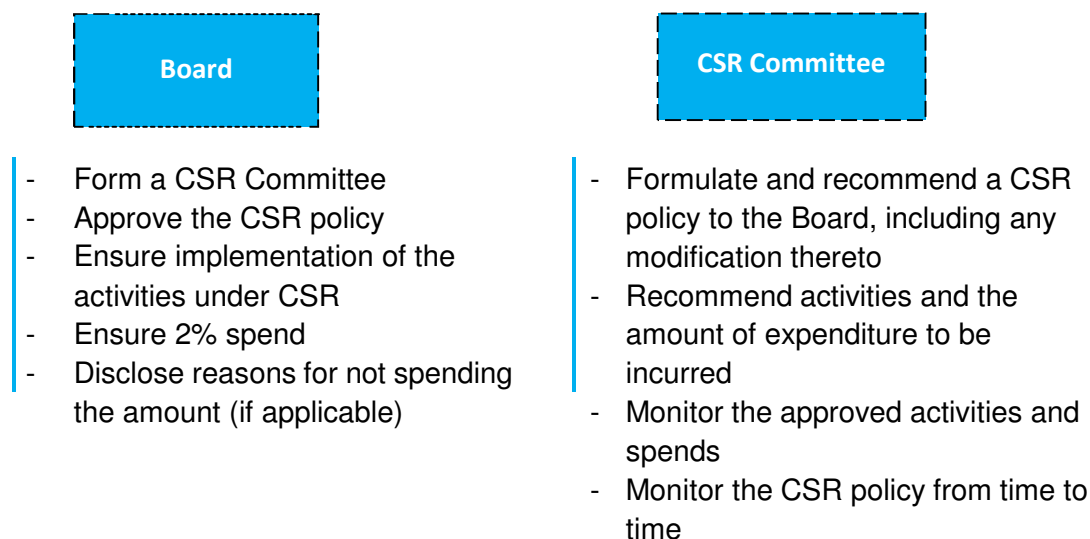
Words and expressions used and not defined in this CSR Policy shall have the same meanings respectively assigned to them in the Act and / or the Rules.

III. CSR Committee & the Board

- i) The CSR Committee was initially constituted in accordance with the provisions of the Act comprising of the 3 (Three) Directors. The Company Secretary shall be the secretary to the Committee. The CSR Committee may invite other experts/ invitees as per its requirements.
- (ii) Presently there are three the following Directors in the CSR Committee

S. No.	Name	Designation	DIN No.
1.	Shri Vikram Agarwal	Managing Director	00054125
2.	Shri Kanha Agarwal	Joint Managing Director	06885529
3.	Dr. Satish Chander Gosain	Independent Director	08202130

- (iii) The purpose of the CSR Committee (the “Committee”) of the Board of Directors (the “Board”) of Prakash Industries Limited (“PIL”) shall be to assist the Board and the Company in fulfilling its Corporate Social Responsibility (“CSR”) obligations under Section 135 of the Companies Act, 2013. The CSR policy and the constitution shall be monitored through CSR Committee which has been constituted by the Board in accordance with the provisions of the Act. In broad terms, the summary role of the Board of directors and the CSR Committee is as under:



- (iv) The detailed roles & responsibilities of the CSR Committee are:
- a) Formulating the CSR Policy, including the CSR Activities and their budgets as well as recommendation of any subsequent change/ modification to the CSR Policy, for the consideration of and approval by the Board;
 - b) CSR Committee may decide to take its CSR activities through a registered or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Companies Act 2013.
 - c) Institute an implementation and monitoring mechanism for CSR Activities;
 - d) Determining the modalities of execution including targets and timelines in
 - e) Periodically updating the Board on the progress being made in the planned CSR Activities;
 - f) Undertaking impact assessment of the CSR Activities
 - g) Providing a responsibility statement in the Board's report.

IV. Thrust Areas

While Company strive to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, its focus to support and implement the following activities as our Thrust Areas:

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time.

S. No.	Area	Activities/Initiatives/Programs
1a.	Eradicating hunger, poverty and malnutrition : Schedule VII (i)	Mid-day Meal Programme through FFL(Food for Life), and non profit organization in association with ISKCON
1b.	Promoting health care including preventive healthcare and sanitation: Schedule VII (i)	Organize health camps, eye care, blood donation etc. on regular basis, distribution of free medicines
1c.	Providing safe drinking water and preservation of water: Schedule VII (i)	Installation of tubewells, bore wells, submersible pumps, and hand pumps, rain water harvesting wells.
2a.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects : Schedule VII (ii)	Construction of schools building and providing regular financial assistance for furniture and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking and skills and entrepreneurship programs.
2b.	Skill Development : Schedule VII (ii)	"Mission 500" projects to establish BAAL SANSKAR KENDRAS (Coaching Centers) for harnessing the potential and energies of the young children
3a.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga: Schedule VII (iv)	Emphasizing on environmental friendly activities, undertaken Wasteland Reclamation projects through varied Agro forestry soil & moisture conservation strategies. Basic outcome of these plantation projects are Enhancement in the Bio- productivity per unit area of the waste lands, Environment amelioration,

S. No.	Area	Activities/Initiatives/Programs
		Soil–moisture conservation and creating the rural employment opportunities etc.
3b.	Animal Welfare & Protection : Schedule VII (viii)	Cow Protection, Construction of Cow shelters in association with ISKCON
4.	Promoting gender equality and 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 : Schedule VII (iii)	
5.	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 : Schedule VII (v)	
6.	Measures for the benefit of armed forces veterans, war widows and their dependents : Schedule VII (vi)	
7.	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports : Schedule VII (vi)	
8.	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women : Schedule VII (viii)	
9.	Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and Contribution to Public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies which have been established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), council of Scientific and Industrial Research (CSIR) Department of Economic Research (DAE), Defence Research and Development Organization (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology :	

S. No.	Area	Activities/Initiatives/Programs
	Schedule VII (ix)	
10.	Rural Development Projects, including creation & repair of social infrastructure that helps further social & economic development (such as schools, Anganwadis, PHCs/CHCs, toilets etc): Schedule VII (x)	
11.	Slum area development including housing support and enabling infrastructure such as renewable energy, drainage etc : Schedule VII (xi)	
12.	Disaster Management, including relief, rehabilitation and reconstruction activities : Schedule VII (xii)	

V. Monitoring Mechanism

The CSR activities will be driven by a dedicated project team under the guidance and support of the CSR Committee and the Board. The CSR Committee will play a significant role in ensuring that the CSR policy is embedded across PIL's operations and the CSR initiatives are in line with this policy.

The CSR Committee shall ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy, the progress of each such project, programme and activity will be reported to the CSR Committee on a monthly/quarterly basis, with all requisite documentation.

A periodic report on implementation shall be submitted to the Board by the CSR Committee.

The CSR Committee will conduct impact assessment studies on a periodic basis.

The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

VI. Funding and Allocation

Mode of funding and allocation of area-wise planned expenditure for the CSR Activities shall be as follows:

- a) The Company shall, in every Financial Year, contribute a statutory minimum limit of at least two per cent (2%) of its Average Net Profits made during three immediately preceding Financial Years for the CSR Expenditure.
- b) In the absence of Average Net Profits during three immediately preceding Financial Years, the Company endeavors to spend such feasible amount as it may decide.
- c) The CSR Committee shall prepare its details of Unspent Amount, CSR amount spent against ongoing projects for the financial year, CSR amount spent against other than

ongoing projects for the financial year, Excess amount for set off, if any, Details of Unspent CSR amount for the preceding three financial years and Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) for the CSR Activities and submit to the Board as per format prescribed under Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 as amended from time to time.

Any or all provisions of this CSR policy may be amended by the Board based on the recommendations of the CSR Committee or in accordance with any statutory guidelines that may be issued from time to time.

CSR Policy has been amended vide Board resolution dated 31st May 2021.

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