

**PRATIBHA SYNTEX LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**Philosophy**

At Pratibha Syntex Limited, the Corporate Social Responsibility (CSR) has been an integral part of the way since inception. The Company's CSR initiatives have played a pivotal role in improving the lives of the communities and society at large and in & around its operations with an objective to energize, involve and enable them to realize their potential. This has also enabled the Company to fulfil its commitment to be a socially responsible corporate citizen. The Company is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. To promote Social service, ecological balance and environmental protection, the Company has taken up various Corporate Social Responsibility (CSR) initiatives earlier and will continue to do so in future.

CSR activities at Pratibha reflect its commitment to make things happen at every project we undertake. Our passion in these activities make us more responsible year after year. As a responsible corporate citizen, we try to contribute for possible social, educational and environmental causes on a regular basis.

The Company firmly believe that to succeed, an organisation must maintain highest standards of corporate behaviour towards its investors, stakeholders, employees and societies in which it operates.

**Applicability**

Section 135 of the Companies Act, 2013 states and provides that every company having net worth of Rupees Five Hundred Crore or more, or turnover of Rupees One Thousand Crore or more, or a net profit of Rupees Five Crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee. The Board of every company shall ensure that the company spends in, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial year or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

Keeping in line with provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time, the Board of Directors of the company has constituted a Corporate Social Responsibility Committee and formulated this Corporate Social Responsibility Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

**Objective CSR Policy**

The main objective of the CSR policy is to lay down guidelines:

- a) to make CSR a key business process for sustainable development of the society
- b) to directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
- c) to generate goodwill and recognition among all stakeholders of the Company.

**CSR Vision & Responsibility**

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

- **Towards Communities:** The Company shall involve communities surrounding its operations to bring about a positive change in their lives through holistic, sustainable and integrated development.
- **Towards Customers:** The Company shall build gainful partnerships with customers to understand their needs and provide right product and service solutions and shall adopt and actively encourage the best and fair business practices and shall endeavor to build solid bonds with them.

- **Towards Business Partners:** The Company shall support its suppliers to cultivate ethical and fair business practices and give preference over other to those who demonstrate this.
- **As a Corporate Citizen:** The Company reaffirms its commitment to conduct business with environmental accountability and shall endeavor to adopt environment friendly technologies and energy efficiency in its operations while continuously monitoring and reducing emissions.
- **Responsibilities toward Employees:** The Company shall foster a work culture with high ethical principles and standards and encourage employees to perform with total integrity, commitment and ownership and shall do all support for their professional growth and recognize high achievers.

The Company shall continue to raise the bar of its OH&S standards and guidelines and recognizes that employees deserve to work in safe and healthy work environment and will make its responsibility to ensure zero harm to people.

#### **Constitution of CSR Committee**

In terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company at its meeting held on 23<sup>rd</sup> August, 2025 has re-constituted the CSR Committee with following Members;

SNo.	Name	Status	Designation
1	Mr. Shreyaskar Chaudhary	Managing Director	Chairman
2	Mr. Dipesh Khandelwal	Independent Director	Member
3	Mr. Virender Goyal	Joint Managing Director	Member

The CSR Committee shall be responsible for implementation/monitoring and review of this policy and various projects/activities undertaken under the policy and, inter alia, carry out following functions;

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder;
- To formulate and recommend an Annual Budget and Action Plan alongwith Budgeted CSR Expenditure (including any revisions thereto) to the Board for its approval;
- To review and monitor implementation of CSR activities of the Company within the applicable regulatory framework;
- To set monitoring mechanisms in place to track the progress of each project at such intervals as may be required and submit periodical reports to the Board of Directors.
- To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties;

Therefore, all CSR Policies/Programs/Projects and changes if any, shall be approved by the Board on the recommendation of CSR Committee.

#### **Definitions**

In this Policy, unless the context otherwise requires;

1. **“Act”** shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof;
2. **“Agency”** or **“Agencies”** shall mean any Section 8 Company under the Act or a Registered Trust/Society/Non-Government Organization/Institution performing social services for the benefit of the society at large;
3. **“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;
4. **“Annual Plan”** shall mean the annual planned CSR expenditure for the year;
5. **“Board”** shall mean the Board of Directors of the Company;
6. **“Company”** shall mean *‘Pratibha Syntex Limited’*;



7. **“CSR Committee”** shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Directors, out of which, at least one director shall be Independent Director;
8. **“CSR Officer”** shall mean a person engaged by the Company to assist the CSR Committee to implement the CSR activities envisaged under the Policy;
9. **“CSR Policy”** shall mean the Corporate Social Responsibility Policy of the Company, which covers the yearly activities undertaken by the Company under the policy and the CSR Expenditure thereon;
10. **“CSR Activities”** shall mean all the Corporate Social Responsibility activities/programs/ initiatives of the company, either ongoing or new, including but not limited to green belt/environmental protection/ecological balance/slum rehabilitation/education/sports etc., and those specified in Schedule VII to the Act (as amended from time to time) at corporate office, project offices of the Company, its subsidiaries and as societies wherever located, as recommended by the CSR Committee and approved by the Board;
11. **“CSR Expenditure”** shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the followings: -
  - a) Contribution towards activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Act;
  - b) Contributions to CSR activities can be implemented and/or executed by the Company or through Trust/Society/Section 8 Companies/Agencies established/ registered to carry on CSR activities as defined under the Rules;

However, the contribution to Corpus of a Trust/Society/Section 8 Companies etc. will qualify as CSR expenditure as long as:

- The Trust/Society/Section 8 Companies etc. are 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.
12. **“Financial Year”** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year;
  13. **“Group Companies”** shall mean holding, subsidiaries and associates of the Company;
  14. **“Holding or Subsidiary Company”** if any does not have to comply with CSR provisions under section 135(1), unless the holding or subsidiary itself fulfils the criteria.
  15. **“Net Profits”** shall mean net profits of the Company as defined under Section 198 of the Act and the Rules, based on which a specific percentage for CSR expenditure has to be calculated;
  16. **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof;
  17. **“Society”** shall mean a society formed and registered under the Societies Registration Act, 1860 and includes any other society formed and registered with the appropriate authority for a social cause;
  18. **“Thrust Areas”** shall mean areas or activities ascribed to them in this Policy, as amended by the CSR Committee, from time to time;
  19. **“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 and includes a Trust jointly formed and registered by the Company with all or any of its Group Companies;

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

#### **Thrust Area**

The scope of the CSR activities of the Company will cover all or any suitable activity as specified in Schedule VII to the Act. The Company focus to support and implement following activities as its thrust area, but not limited to the same and may extend to other specific projects/programs as permitted under the law from time to time:

- a) Eradicating hunger, poverty and malnutrition Agro Based livelihoods, Agriculture Development, Krishi-Vigyan Kendra;
- b) Promoting Health care and Sanitation Development programs, medical camps, programs,
- c) Providing safe drinking water, construction of water storage tanks;
- d) Promoting education and employment enhancing vocation skills projects;

- e) Construction and running of schools, libraries, vocational training, financial assistance and scholarships for higher education, skills and entrepreneurship programs;
- f) Women Empowerment and Facilities for Senior Citizens Setting up center's and institutions for women & senior citizenship. Promoting income generating activities for women.
- g) Rural and agriculture development programs and projects promoting gender equality and empowering women.
- h) 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; Horticulture plantation, agro farm forestry, afforestation, projects on non-Conventional energy (biogas), animal Husbandry programs, forest conservation projects, water resource management and soil conservation, promoting micro-irrigation etc.
- i) Promotion and protection of art & culture, national heritage, including restoration of buildings and sites of historical importance and works of art; setting up public libraries;
- j) Training to promote national/rural recognized sports, projects/programs;
- k) Contributions for upgrading of technology, technology incubators located within academic institutions which are approved by Central Government;
- l) Contribution to Prime Minister's National Relief Fund, PM CARES Fund or any other fund set up by Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

### **Implementation**

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc.

- a) The CSR activities will be carried out directly or indirectly at the Corporate office for fulfilling its responsibilities towards various stakeholders, in and around the areas of the projects of the Company, Subsidiaries and Associates;
- b) The CSR activities can also be carried out/implemented, directly or indirectly, through any other Trust/Society/Section 8 Companies/Agencies established/ registered to carry on the CSR activities as defined under the Rules or in collaboration with other Companies undertaking projects/programs in CSR activities.
- c) Any other Institutes, NGOs, Government, Semi-government, autonomous bodies, Trusts etc. However, any such projects/program to be undertaken through this entity shall have an established track record of three (3) years of undertaking such projects/programs. However, the CSR Committees of above should be in a position to evaluate and report progress of such projects/programs.
- d) Contribution/donation made to such other Organization/Institutions as may be permitted under the applicable laws from time to time.
- e) The Committee can engage third party to have an impact assessment of its CSR program to validate compliance of the CSR provisions of the law.
- f) The CSR Committee has the powers to seek monitoring and implementation report from the organizations receiving funds. Can also delegate a designated Company official to co-ordinate with the Organization receiving funds to inspect the activities undertaken and ensure information in a timely manner.

The time period/duration of each project/programs shall depend on its nature, extend of coverage and intended impact of such activity. However, this shall not bar for pursuing its CSR activities in any other areas.

### **CSR Expenditure & Budget**

1. The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of the average Net Profits during the preceding three financial years for the CSR Expenditure.



2. CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR Programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework.
3. In line with the requirements of the Companies Act, 2013 Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%.
4. The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its Annual Action Plan. Within the Budget the allocation towards specific CSR initiatives/projects will be approved by the CSR Committee of the Board. All projects undertaken by the Company shall be approved /ratified by the CSR Committee.
5. During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s), with the prior approval of the CSR Committee.
6. The surplus, if any, arising out of the CSR projects shall be ploughed back either to the same project from which such surplus arises or be spent in accordance with the Annual Action Plan or in compliance with the provisions applicable under the law.
7. Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.
8. Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions and as per the CSR policy undertaken, shall be transferred by the company 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, and such amount shall be spent by the company within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
9. Any amount spent in excess of requirement, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 of the Act up to immediate succeeding three financial years, subject to the condition that:
  - a) the excess amount available for set off shall not include the surplus arising out of the CSR activities; and
  - b) the Board of the company shall pass a resolution to that effect.

#### **Expenditure not covered or recognized**

In terms of the Rules, the following contributions shall not be considered as CSR expenditure: -

- a) Contributions to any political party/or any person associated with a political party or political causes.
- b) Amount spent, whether directly or indirectly, exclusively for benefit of employees of the Company, its Subsidiaries and Associates and their families.
- c) Expenses incurred by the Company for fulfilment of obligations of any act/statute of regulations (such as labour laws, land acquisition act etc.)
- d) Expenses incurred by the Company for events such as marathons/awards/charitable contribution/advertisement/sponsorships of TV programs etc.
- e) Contributions/expenses not recognized under the Act/Rules as amended or modified, from time to time.
- f) Any CSR projects/programs or activities undertaken outside India.
- g) The activities undertaken in pursuance of normal course of business of the Company.

### Monitoring and Review Mechanism

The Company will coordinate/review implementation of CSR activities at various areas and report to the Board through the CSR Committee. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities.

- The Committee Members will receive in prescribed format quarterly report of CSR spends;
- A presentation on progress of CSR projects/activities will be made to the Committee by CSR Executives at Committee meetings held from time to time;
- An annual presentation will be made to the Committee which will also include details of projects/activities planned for next year and its respective budgets;
- The Board of Directors of the Company shall review implementation of CSR every six months.

### Annual Action Plan

The CSR Committee of the Board of Directors of the Company shall recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programs;
- the modalities of utilization of funds and implementation schedules for the projects or programs;
- monitoring and reporting mechanism for the projects or programs; and
- details of need and impact assessment, if any, for the projects undertaken by the company.

Further, the Board may during the year, at the recommendation of the CSR Committee, review / approve / alter such plans.

The CSR Committee will be responsible for monitoring CSR activities and shall place the report before the Board from time to time, The CSR Committee shall place the Annual Report on CSR activities, in first Board Meeting to be held in following financial year for Board's review and finalization.

The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy and shall update any changes made by the Government in the regulations governing the CSR activities.

### Reporting Format

Periodic reporting on the CSR activities, execution modalities, implementation schedules etc., to the CSR Committee shall be in following format which may be amended by the CSR Committee from time to time:

SN	Company Initiative	Schedule VII Activity	Execution details	Budget (Rs.)	Amount Spent (Rs.)	Remarks

### Display of CSR Policy on website of the Company

Pursuant to Section 135 (4) of the Companies Act 2013 and rules made thereunder, the Board of Directors shall, after taking into account the recommendations of CSR Committee, shall approve the CSR Policy of the Company or any amendment thereof from time to time and the same shall be displayed on Company's website [www.pratibhasyntex.com](http://www.pratibhasyntex.com).

### Reporting Framework

The Board of Directors are required to include in their Directors Report an annual report on CSR activities containing particulars as specified in the Companies (Corporate Social Responsibility) Rules, 2014 and the same shall be filed with MCA/ROC public domain.



#### **Amendments to the Policy**

The Board of Directors on its own and/or as per recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Regulations and as may be issued from relevant statutory authorities, from time to time.