

PINCON SPIRIT LIMITED
CORPORATE SOCIAL RESPONSIBILITY
POLICY

BACKGROUND

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, PINCON SPIRIT LIMITED (“the Company”) is, *inter alia*, required to:

(i)Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.

(ii)Ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits Before Tax (PBT) of the Company, made during the three immediately preceding financial years, in pursuance of its CSR Policy.

PHILOSOPHY

Corporate Social Responsibility (CSR) is a public spirited cause that has been well introduced by the new Companies Act 2013. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

The main responsibilities of the Company to include education about financial discipline and planning as a part of our education system and this are not possible without the support of corporate India.

OUR VISION

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.

2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.

3. The Company aims to fulfil the requirements laid down under the Companies Act 2013 and act diligently to comply with all its Rules and Regulations on CSR.

APPLICABILITY OF THE POLICY

1. The Company’s CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.

2.This Policy shall apply to all CSR initiatives and activities taken up at various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under-privileged.

OBJECTIVE OF THE CSR POLICY

- a. To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- b. To take up programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- c. To generate a community goodwill and help reinforce a positive and socially responsible image of as a good corporate citizen of the Country.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

COMPOSITION:

The Corporate Social Responsibility Committee (“CSR Committee”) shall consist of three or more Directors amongst whom at least one shall be an Independent Director.

The Company Secretary shall act as the Secretary to the Committee.

MEETINGS:

The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The Members shall ensure to hold at least four meetings in a financial year.

The Committee shall review the implementation of the CSR Programs once in a quarter and issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programs in accordance with this Policy.

Once in every quarter, it shall be the responsibility of the CSR Committee to keep the Board apprised of the status of the implementation of CSR activities.

QUORUM:

The quorum for a meeting of the CSR Committee shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

ROLE OF CSR COMMITTEE:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 (as amended from time to time).
- b. To recommend the amount of expenditure to be incurred on the activities in a financial year.
- c. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d. Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the Corporate Social Responsibility Policy of the Company.

RESPONSIBILITIES OF THE BOARD

The Board shall:

- Form a CSR Committee and disclose the composition of the CSR Committee.
- Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- Place the CSR Policy on the Company’s website. Ensure implementation of the activities under CSR.
- Ensure expenditure of requisite amount on CSR every year as per law.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.

CSR FOCUS AREAS

- ❖ Promoting Financial Discipline and planning as a part of education system.
- ❖ Promoting education, including special education and employment, especially among children, women, and elderly and livelihood enhancement projects.
- ❖ Rural Development Projects.

PARTNERSHIPS TO IMPLEMENT THE PROGRAMMES

Collaborative Partnerships may be formed with the Government Agencies, the village Panchayats, NGOs and other likeminded stakeholders. This shall help widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

CRITERIA FOR IDENTIFYING EXECUTING PARTNERS

- a. In case of program execution by NGOs/Voluntary organizations the following minimum criteria should be mandatory:
- b. The NGO / Agency must have a permanent office / address in India.
- c. The NGO should be a registered Trust or a Society having a duly executed Trust Deed / Memorandum of Association.
- d. It should have registration such as 12A, 80G, FCRA registration (if applicable).
- e. It should have a PAN.

MONITORING AND EVALUATION MECHANISMS

- 1) To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programmes under implementation at work centre will be reported to the Corporate Office of the Company on a monthly basis.
- 2) Feedback shall be obtained and documented from the beneficiaries and influential local leaders by the respective work centres about the programs.
- 3) Partners shall be required to report narrative as well as financial updates on a quarterly basis in the specified reporting formats.
- 4) Impact Assessment shall be conducted on a periodic basis, through CSR team and/or independent professional third parties, especially on the strategic and high value program

All Provisions of this CSR Policy shall be subject to revision/ amendment in accordance with the Act and Rules of the Companies Act, 2013 ad Guidelines on the subject as may be issued by the Government of India, from time to time.

The Company reserves the right to modify, cancel, add, or amend this Policy in order to adopt the best practices in the Industry and in the interest of the stakeholders of the Company.