



## **Corporate Social Responsibility Policy**

### **Philosophy**

Prince Pipes and Fittings Limited ("the Company") strives to be a socially responsible company and strongly believes in the development of society at large.

The aim of the Corporate Social Responsibility Policy (CSR Policy) is to ensure that it becomes a socially responsible Corporate Entity contributing towards improving the quality of life of the Society at large.

This policy shall apply to all CSR initiatives and activities to be undertaken by the Company independently or any Group Company or any NGO/Trust or through "PRINCE FOUNDATION"

### **Objective**

The objective of this Policy is to set guidelines for carrying out CSR activities by the Company and also to set up the process of implementation and monitoring of the CSR activities to be undertaken by the Company.

### **CSR Obligations**

Pursuant to Section 135 of the Companies Act, 2013 (Act) and Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rules) and Schedule VII appended to said Act and Circular No. 21/2014 dated 18.06.2014 of Ministry of Corporate Affairs (Collectively referred hereinafter as "Regulations") every company having net worth of Rs. 500 crores or more or turnover of Rs. 1000 crores or more or a net profit of Rs. 5 crores or more during any financial year shall constitute a Corporate Social Responsibility Committee (CSR Committee) of the Board consisting of three or more directors, out of which at least one director shall be an independent director

### **Expenditure on CSR capabilities**

The Company may build CSR capabilities of their own personnel as well as of their Implementing Agencies and such expenditure shall not exceed 5% of the total CSR spend of the Company as stated in the Rules from time to time. Determination of whether particular expenses fall within this 5% cap can be decided in consultation with the Chief Financial Officer of the Company based on the clarification available from time to time in this regard.

### **Failure to spend the CSR Money**

In case the Company fails to spend its CSR obligation in a particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year. Unspent money related to ongoing projects shall be transferred to a separate account opened in a scheduled bank known as the Unspent CSR Account within 30 days from the end of the financial year and unspent money in the case of projects other than ongoing projects shall be transferred to a permitted fund under Schedule VII of the Act within 6 months from the end of the financial year. Surplus, if any, arising out of the CSR initiatives shall not form part of the business profits of the Company

and shall be ploughed back into the same project or transferred to the Unspent CSR Account and spent in pursuance of the CSR policy and annual action plan.

The Committee currently consists of:

Name	Position in the committee	Designation
Jayant Shamji Chheda	Chairman	Chairman and Managing Director
Parag Jayant Chheda	Member	Joint Managing Director
Amisha Vora	Member	Independent Director
Dilip Deshpande	Member	Independent Director

Our Company Secretary is the secretary to the Corporate Social Responsibility Committee.

**CSR Activities:**

The Policy recognizes that corporate social responsibility is not merely compliance, but it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 :

- i) Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation and making available safe drinking water;
- ii) Promoting education, including special education & employment enhancing vocational skills especially among children, women, elderly & the differently-able and livelihood enhancement projects;
- iii) Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old-age homes, day care centres & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- v) 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;
- vi) measure for the benefit of armed force veterans, war widows and their dependents;
- vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
- viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

ix) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (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 Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

x) rural development projects;

xi) slum area development. (term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force).

xii) disaster management, including relief, rehabilitation and reconstruction activities.

### **Role of CSR Committee**

The role of the Corporate Social Responsibility Committee shall be as follows:

- (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 and make any revisions therein as and when decided by the Board;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in (a);
- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time;
- (d) To formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy, which shall include items mentioned in Rule 5(2) of the Companies (CSR Policy) Rules, 2014;
- (e) To do such other acts, deeds and things as may be required to comply with the applicable laws; and
- (f) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority."

The CSR Committee shall meet at least 2 times in a year. Members of the CSR Committee can mutually agree upon the time and place for the said meetings. Quorum for the meeting shall be 2/3rd of the members. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio-visual means in accordance with the provision of the Companies Act, 2013 and rules made thereunder from time to time.

### **Role of the Board of Directors**

CSR is a Board-driven process. The responsibilities of the Board of the company, inter-alia, include the following:

- (a) Approve the CSR Policy recommended by the CSR Committee
- (b) Disclose the contents of such policy in its report and also place it on the company's website, if any
- (c) Ensure that the activities included in the CSR Policy are undertaken by the Company

- (d) Ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years
- (e) Satisfy itself regarding the utilisation of the disbursed CSR funds
- (f) If the Company fails to spend at least two percent of the average net profits of the company, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per the provisions of sections 135(5) and 135(6) of the Act.

### **Implementation of CSR activities**

(i) The Company may undertake CSR activities through registered trust or society or any company, established by the company, its holding or subsidiary company under Section 8 of the Act for such non-for-profit objectives. Provided that the Company can carry out the CSR activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR activities. In either case, the entity undertaking CSR activities on behalf of the Company shall be registered with the Ministry of Corporate Affairs (MCA) by filing Form CSR-1 and receiving its CSR registration number.

(ii) The Company may collaborate with other companies for undertaking the CSR activities subject to fulfilment of separate reporting requirements as prescribed in the Regulations.

(iii) The CSR activities shall not include any activities undertaken by the Company in pursuance of normal course of business of the Company or those not permitted under Rule 2(1)(d) of the Companies (CSR Policy) Rules, 2014.

(iv) The Company shall not make any payment directly or indirectly to any Political Party(ies) for CSR activities.

### **Reporting**

As per Regulations, the Company shall disclose in its Board Report in prescribed manner:

- (a) Composition of CSR Committee and shall place it on its website
- (b) Contents of CSR Policy and shall place it on its website
- (c) Reasons for not spending the CSR amount
- (d) CSR initiatives approved by the Board and undertaken by the Company and shall place it on its website
- (e) Amount spent by the Company in pursuance of its CSR Policy
- (f) Links to Impact Assessment reports, if applicable, will be annexed

### **Tax Treatment**

Tax treatment of CSR spent will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT).

### **Impact Assessment Practice**

Impact assessment shall be carried out in line with the Act and Rules thereunder at least one year after completion of the CSR project. Impact assessment shall be carried out only for those projects having an outlay of one crore or more when the Company has an average CSR obligation of 10 crore or more in the preceding three years. Such impact assessment will be carried out by an independent agency which the Company shall identify. The Company shall ensure that it spends the higher between 2% of its CSR expenditure for the year or 50 lakhs on Impact Assessment.

### **Policy Review and Future Amendments**

The Committee shall review the policy annually and make suitable changes as required. The same shall be placed before the Board for their approval.

The Board amended the current policy w.e.f Nov 07, 2023.