

SHRI TECHTEX LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

BACKGROUND

As an integral part of our commitment to Good Corporate Citizenship, we at Shri Techtex Limited (“the Company”) believe in actively assisting in the improvement of the quality of life of the people in the communities, giving preference to local areas around our business operations. We shall continue to relentlessly strive in our endeavor of nation-building, sustainable development, accelerated inclusive growth and social equity. CSR activities have been undertaken for the benefit of society in the form of providing help to the underprivileged. It is recognized that integrating social, environmental, and ethical responsibilities into the governance of businesses ensures long-term success, competitiveness, and sustainability. Though there is no specific definition of CSR, it is the responsibility of the corporate entity towards the society in consideration of the support given by the society. CSR at the Company shall be underpinned by ‘More from Less for More’ philosophy which implies striving to achieve greater impacts, outcomes and outputs from our CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives. We shall continue to nurture a vibrant culture of volunteering in our aspiration to leverage our core competencies and managerial, technological capabilities for CSR. We shall strive to bring innovation to our CSR initiatives and optimize their effectiveness while seeking to create a measurable impact of our CSR activities.

VISION STATEMENT

We recognize that our social, economic, and environmental responsibilities towards the stakeholders are essential and therefore, we aim to demonstrate these responsibilities through our actions and within our corporate policies. Dedicatedly we are inspiring lives by creating a healthier and happier society by using our internal proficiency in solving problems by actively participating in social and economic development and affiliating with external communities and agencies. It is the contribution for liberal causes like education, health, water, environment, and community welfare.

Through its CSR initiatives, company shall continue to enhance value creation in the society and in the community, in which it operates, through its services, conduct & initiatives, to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate Citizen with environmental concern.

OBJECTIVES

This Policy is formulated in accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Amendment Rules, 2021, the policy has been amended by the Board of Directors.

The objectives of the policy are:

- To lay down the functionalities containing the approach and direction as given by the CSR committee.
- To provide guiding principles for selection, implementation, and monitoring of activities as well as formulation of the annual action plan for undertaking CSR activities.
- To prepare a list of activities, programmes, and projects to be undertaken during the year, specifying modes of execution and implementation schedules for the same.
- To carry out activities that would create social presence of the company.
- Acting as a catalyst, participating in various resources to make things happen through direct intervention and social investments.
- To formulate an Annual Action Plan every year as per applicable rules.

CSR ACTIVITIES

The Company has been fulfilling its responsibility towards society by contributing to social causes. The two core areas that the company supports are Education and Healthcare.

The Company may from time to time consider, on recommendation of the Committee, following areas for CSR projects from the activities specified under Schedule VII of the Companies Act, 2013 and the Rules made thereunder:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- iii. promoting gender equality, 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.
- 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 set-up 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 art and handicrafts;
- vi. measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- 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 Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), 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
- xii. disaster management, including relief, rehabilitation, and reconstruction activities

RESPONSIBILITIES AND DUTIES

- To approve the CSR policy as formulated and recommend it to the Board;
- To review and recommend the amount to be spent on the activities to be undertaken;

- To monitor the CSR policy and the CSR activity and report to the Board from time to time;
- To review various proposals and identifying the eligible entities/agencies for allocation of CSR amount;
- To ensure that the recommended CSR amount to be spent on the CSR activities as mentioned above in accordance with the Act and the CSR Rules;

COMPOSITION OF COMMITTEE

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the CSR Committee. The Members of the CSR committee shall be appointed by the Board of Directors of the Company and must comprise of at least 2 or more Directors.

The existing composition of the CSR Committee is as under:

Sr	DIN	Name of Committee members	Designation
1.	02195281	Shradha Hanskumar Agarwal	Chairperson
2.	00013290	Hanskumar Ramakant Agarwal	Member
3.	11177965	Biren Umesh Shah	Member

CSR BUDGET

A specific budget is allocated for CSR activities and the amount to be spent on CSR activities shall not be less than 2% of the average net profits of the Company during three immediately preceding financial years, pursuant to the amendments of the Companies Act, 2013 (including Rules made thereunder and Notifications or Circulars) issued from time to time.

The total budget for the CSR projects in each financial year will be decided by the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. The CSR Committee shall propose to distribute the budget among the Areas to Emphasize or such of them as the CSR Committee may deem fit in each financial year, in such proportion and in a manner that meets the objectives of the CSR Policy.

ANNUAL ACTION PLAN

The Board shall formulate the annual action plan which shall include:

- The list of CSR projects or programmes that are approved to be undertaken.
- The manner of execution of such projects or programmes;
- The mode of utilization of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes and
- Details of need and impact assessment, if any, for the projects undertaken by the Company

IMPLEMENTATION

The Company's CSR programmes will be identified and implemented according to the Board's approved CSR policy. The Company will enhance its monitoring and evaluation mechanism to ensure that every programme has:

- i. clearly defined objectives, targets, and timelines.
- ii. A robust progress monitoring system.
- iii. Impact assessments, if any.
- iv. A reporting framework and system in alignment with the Act and Rules.

The company shall implement its CSR activities as approved by the CSR Committee that will be ultimately responsible for the CSR projects undertaken. The Committee will report to the Board of Directors.

MONITORING AND REPORTING FRAMEWORK

The company's CSR Committee shall monitor the implementation of the CSR Policy. The annual budget and list of CSR projects, and activities shall be presented to the CSR Committee for its approval. The CSR Committee will in turn recommend this to the Board for its final approval.

TREATMENT OF SURPLUS

Any surplus generated from CSR projects undertaken by the Company will be tracked and channelized into Company's CSR corpus. These funds will be further used towards the development of the CSR projects and will not be added to the normal business profits.

AMENDMENT/REVIEW

The Board of Directors of the company are authorised to withdraw and/or to alter/amend the policy or any part of this Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

This policy shall be reviewed by the Board of Directors as and when required and updated accordingly.