

PRANIK LOGISTICS LIMITED



CORPORATE SOCIAL RESPONSIBILITY POLICY

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VISION

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

BACKGROUND

In accordance with the provisions of Section 135 of the Companies Act, 2013 (“the Act”), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”) and Schedule VII of the Act, as amended from time to time, Pranik Logistics Limited (“the Company”) is committed to undertaking Corporate Social Responsibility (“CSR”) activities in the larger interest of the society.

The Board of Directors (“the Board”) of the Company, at its meeting held on 19th February, 2025, reviewed and adopted this Corporate Social Responsibility Policy (“the Policy”) in compliance with the applicable laws.

In terms of the second proviso to Section 135(9) of the Act, since the CSR obligation of the Company does not exceed ₹50 lakh in the immediately preceding financial year, the Company is not required to constitute a separate CSR Committee. Accordingly, the functions of the CSR Committee are being discharged by the Board of Directors of the Company.

This Policy outlines the guiding principles, focus areas, implementation strategy, monitoring mechanism, and reporting framework for the Company’s CSR initiatives, ensuring alignment with the statutory requirements and the Company’s commitment towards social welfare and sustainable development.

DEFINITIONS

“Act” means the Companies Act, 2013

“Company” means Pranik Logistics Limited (“PRANIK”).

“Corporate Social Responsibility (CSR)” means and includes but is not limited to

- a) Projects or programmes relating to activities specified in Schedule VII to the Act or
- b) Projects or programs relating to activities undertaken by the board of directors of a Company in pursuance of recommendations of the CSR Committee of the Board as per declared CSR policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.

“CSR Policy” relates to the CSR outlook of the Company and the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.

“Net profit” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely :-

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- a) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- b) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

The **Board of Directors** shall :

- Formulate and recommend 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;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- Monitor the Corporate Social Responsibility Policy of the company from time to time;
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

SCOPE

This Policy applies to all CSR initiatives and activities undertaken by the Company in India, either directly or through eligible implementing agencies, in accordance with the provisions of Section 135 of the Act, the CSR Rules, and Schedule VII of the Act.

PLANNING AND IMPLEMENTATION

The Company shall identify any one or more of the following areas for its CSR spending, in alignment with the activities specified under Schedule VII of the Companies Act, 2013, as amended from time to time:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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;
- 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;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central



Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects;
- Slum Area Development; and
- Any other activity as may be prescribed under Schedule VII or notified by the Ministry of Corporate Affairs from time to time..

The CSR projects or programs or activities undertaken by the company in India only shall amount to CSR Expenditure in accordance with the provisions of sub- section (5) of section 135 of the Act. Preference shall be given to local area and areas around the Company for spending the amount earmarked for CSR.

FUNDING

For achieving its CSR objectives through implementation of its CSR programmes, the Company will spend 2% of its average net profits made during the 3 immediately preceding financial years towards projects or programs relating to CSR activities as per CSR policy, but does not include any expenditure on an item not in conformity with the CSR Policy.

MONITORING & IMPLEMENTATION

➤ **Oversight by the Board:**

In view of the exemption under Section 135(9) of the Companies Act, 2013, the Board of Directors of the Company shall monitor the implementation and progress of the CSR initiatives undertaken by the Company. The Board shall ensure that the CSR activities are aligned with the approved CSR Policy and the applicable provisions of the Act and Rules.

➤ **Tracking Progress:**

The Board shall ensure that appropriate mechanisms are in place for regular monitoring of CSR activities, including:

- Timelines for completion;
- Fund utilization reports;
- Performance indicators to assess the impact and effectiveness of CSR activities;
- Periodic progress updates from implementing agencies (if applicable).

➤ **Utilization Certificate:**

In case the Company undertakes CSR activities through an implementing agency, it shall obtain a certificate of utilization of CSR funds from such agency, confirming that the funds have been used for the intended purposes.

➤ **Impact Assessment:**

If required under the applicable rules, the Company shall undertake impact assessment of CSR projects, either through itself or via an independent third party, in the manner prescribed under Rule 8(3) of the CSR Rules.



➤ **CSR Reporting:**

The Company shall disclose:

- The composition of the CSR initiatives undertaken;
- The amount spent on CSR during the financial year;
- Details of ongoing and completed CSR projects;
- Reasons for any unspent CSR amount and the treatment thereof, in the format prescribed under the Companies (CSR Policy) Rules, 2014.

Such disclosures shall form part of the Board's Report as required under Section 134(3)(o) of the Act and Rule 8 of the CSR Rules.

➤ **Website Disclosure:**

The Company shall mandatorily disclose the CSR Policy and details of its CSR activities on its official website, in accordance with Rule 9 of the CSR Rules.

GENERAL

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time. The Company reserves the right to modify, add, or amend any of these Rules.