



PRIDHVI ASSET RECONSTRUCTION AND SECURITISATIONCOMPANYLIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. PREAMBLE:

i) Short Title & Applicability

This policy titled “the Company’s CSR Policy”, encompasses the company’s philosophy of giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare and sustainable development of the community at large.

This policy is framed in accordance with the provisions of Section 135 of the Companies Act, 2013 together with the Rules laid thereunder.

ii) CSR Vision Statement & Objectives

Vision Statement

The core theme of the Company’s CSR policy is giving back to the society from which it draws its resources by extending a helping hand to the needy, the underprivileged and to contribute for activities that sustain economic development of local community at large. It is the contribution of the corporate for philanthropic and social causes like providing primary education and health, drinking water, sanitation and such other activities which would result in a better living environment.

Through CSR initiatives, the company, in alignment with its ‘vision and environmental concern, will continue to enhance value creation in the society, so as to promote sustained growth of the society, in fulfilment of its role as a Socially Responsible Corporate.

Objectives

The objectives of the Company’s CSR Policy are to:

- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities over a period of time in enhancing the quality of life & economic well-being of the local populace.



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- The CSR activities undertaken by the company should create a social impact.
- The Company and the employees are to actively involve and participate in social welfare projects by voluntary participation.

2. SCOPE OF CSR ACTIVITIES:

- 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 8[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;



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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 Défense 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.

Explanation: For the purposes of this item, the 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.

The above list is illustrative and not exhaustive. The CSR committee of Board of Directors is authorized to consider other activities in conformity with the provisions of the Companies Act, 2013 and Rules framed thereunder. The activities will be specific to the village(s) depending on the assessed need of the people. All activities under the CSR should be environment friendly and socially acceptable to the local people.

3. RESOURCES:

Funding & Allocation

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programmes, the company shall allocate 2% of its average Net Profits calculated as per Section 198 of the Companies Act, 2013, as its Annual CSR Budget in each Financial Year, as per the provisions of the Companies Act, 2013 and rules made thereof as amended from time to time.



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Any unspent/unutilized CSR allocation of a particular financial year for ongoing projects will be transferred to a separate bank account of the company namely “Unspent CSR Account” within 30 days of the end of the financial year and utilized for the ongoing projects within a period of 3 years. The amount remaining unspent at the end of 3 financial years shall be transferred to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. A separate ‘Unspent CSR Account’ be opened for each financial year.

Any unspent/unutilized CSR allocation of a particular financial year not relating to ongoing projects shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of such financial year.

The company shall be liable to a penalty of twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or one crore rupees, whichever is less, and every officer of the company who is in default shall be liable to a penalty of one-tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or two lakh rupees, whichever is less.

4. IMPLEMENTATION

- i) CSR programmes shall be undertaken by the company within the defined ambit of the identified “Thrust Areas”. Project activities identified under CSR may be implemented through specialized agencies, which could include ‘The Trust’ created by the Company, Voluntary Organizations (NGO’s) / Agencies, Community based organisations, Recognised Institutes / Academic Institutions, Trusts / Missions / Foundations / Companies set up with charitable objects as per Sec 8 of Companies Act, 2013, Regd. Mahila Mandals / Samithis / Panchayats / Self Help Groups, Professional Consultancy organizations etc.
- ii) The time period / duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- iii) Programmes which involve considerable financial commitment and are undertaken on a timeframe of 2-10 years will be considered as ‘flagship programme’ and accorded enhanced significance.



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- iv) The timeframe and periodic milestones should be finalised at the time of approval of the Project.
- v) **The process for implementation of CSR programmes will involve the following steps:**

While identifying Short Term and Long Term programmes, efforts will be made to define the following:

- a. Programme objectives
- b. Baseline survey - It would give the basis on which the outcome of the programme would be measured.
- c. Implementation schedules- Timelines for milestones of the programme will need to be prescribed
- d. Responsibilities and authorities
- e. Major results expected.

- vi) **Powers for approval:**

CSR programmes as identified by the company will be put up to the Board for approval with due recommendations of the CSR Committee.

- vii) **Executing Agency / Partners and the criterion for identifying:**

The programs or projects identified for implementation may be executed through:

- The NGO / Trust / Corporation / Company / Society is/are registered under Societies Registration Act / Trust Act / Sec-8 of the Companies Act, 2013, registered with Ministry of Corporate Affairs for undertaking CSR activities and having a permanent office / address in India;
- The Trust / NGO's / Agency / Company shall have an established track record of at least three financial years in undertaking similar programs or projects;
- Possesses a valid Income-tax Exemption Certificate;
- The antecedents of the NGO / Agency / Trust / Sec-8 Company are verifiable / subject to confirmation.

- viii) **CSR Expenditure:**

In case of programme execution by NGOs / Voluntary Organizations / Trusts / Sec-8 Companies the amount to be spent by the agencies to build the CSR capacities of their personnel / administrative expenses shall not exceed 5% of the total CSR budget of the company for the financial year.



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5. MONITORING MECHANISM

- i) To ensure effective implementation of the CSR programmes a monitoring mechanism will be put in place by the Management. The progress of projects under implementation will be reviewed by the CSR Committee.
- ii) The CSR Committee will report the progress of projects under implementation, amounts allocated / spent / unspent on the projects, to the Board at the end of the financial year.
- iii) CSR Committee will conduct impact studies on a periodic basis, through independent professionals' third parties / professional institutions, especially on the strategic and high value programmes as per statutory regulations.
- iv) The company will also try to obtain feedback from beneficiaries about the programmes.
- v) Appropriate documentation of the Company's CSR Policy, Annual CSR activities, executing partners, and expenditure entailed will be undertaken year on year basis and will be made available in the public domain.
- vi) CSR initiatives of the Company will also be reported in the Annual Report of the Company indicating the reasons for unspent amounts, if any.

6. CONCLUSION

The scope and activities of the CSR Policy would be subject to revision / amendment in accordance with the guidelines as may be issued by the Government, from time to time.

The CSR Committee will review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary and recommend to the Board for their approval.

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COMPOSITION OF CSR COMMITTEE IN THE FINANCIAL YEAR 2024-25

Sl.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Pamidi Kotaiah ¹	Non-Executive Independent Director	1	1
2.	Sri. Vepa Kamesam ²	Non-Executive Independent Director	1	1
3.	Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	1	1
4.	Sri. Ch. Rama Prasad ³	Executive Managing Director & CEO	-	-
5.	Sri. R. Mallikarjuna ⁴	Executive Managing Director & CEO	1	1

1. Dr. Pamidi Kotaiah is not a member w.e.f. 28.09.2024
2. Sri. Vepa Kamesam is not a member w.e.f. 28.09.2024
3. Sri. Ch. Rama Prasad is not a member w.e.f. 04.04.2024
4. Sri. R. Mallikarjuna is a member w.e.f. 04.04.2024



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CSR PROJECTS APPROVED BY THE BOARD IN THE FINANCIAL YEAR 2024-25

(1)	(2)	(3)	(4)	(5)	(6)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Location of the project State and district	Amount spent for the project (in Rs.)	. Mode of implementation - Through implementing agency
1	Medical services, vocational training and education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; promoting health care	Andhra Pradesh West Godavari	27.19 Lakhs	Kovvali Development Trust
2	Medical	Renovation of Arogyasri Ward for cancer patients	Telangana Hyderabad district	30.00 Lakhs	The Basavatarakam Indo-American Cancer Hospital and Research Institute