Corporate Social Responsibility (CSR) Policy

Pragati Infra Solutions Private Limited | CIN: U70101DL2009PTC194947 | Registered Office: B335, GF New Friends Colony, East of Kailash, South Delhi, New Delhi, Delhi 110065

Version 3.0 | Recommended by the CSR Committee on 12-09-2025 | Adopted by the Board of Directors on 29-09-2025.

1. Purpose and legal basis

Pragati Infra Solutions Private Limited (the "Company") wants to contribute to the social and economic development of the communities around it. This Policy sets out how the Company plans, spends, monitors and reports its CSR activities.

The Policy is framed under Section 135 and Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "CSR Rules"), each as amended from time to time.

2. Applicability

Under Section 135(1), CSR applies to a company that had, in the immediately preceding financial year, a net worth of ₹500 crore or more, turnover of ₹1,000 crore or more, or net profit of ₹5 crore or more. The Company meets the net profit test and therefore follows this Policy.

3. Definitions

- **Act** means the Companies Act, 2013.
- **Board** means the Board of Directors of the Company.
- **CSR Committee** means the Corporate Social Responsibility Committee of the Board.
- **CSR activities** means activities listed in Schedule VII of the Act, carried out in line with the CSR Rules.
- **Average net profit** means the average of the net profit of the three immediately preceding financial years, calculated as per Section 198 of the Act.
- **Implementing Agency** means a Section 8 company, registered public trust or registered society that carries out CSR projects for the Company, as the CSR Rules allow.

4. CSR Committee

Composition. The Board has constituted a CSR Committee with the following members:

Name	Position on Committee
Mr. Ramdhan Yadav, Director	Chairperson
Mr. Abhayjeet Yadav, Director	Member

As the Company is not required to appoint an independent director, Section 135(1) requires at least two directors on the Committee, and this composition satisfies that. The Board may reconstitute the Committee from time to time.

Functions. The CSR Committee will:

1. formulate and recommend this Policy to the Board, and any changes to it;
2. recommend the amount to be spent on CSR activities each year;
3. recommend the Annual Action Plan to the Board; and
4. monitor the implementation of this Policy and of the Annual Action Plan.

Meetings. The Committee will meet at least once a year, and more often if needed. Two members form the quorum. Its meetings and minutes follow the Secretarial Standard on Meetings of the Board of Directors (SS-1).

5. CSR focus areas

The Company will undertake projects in areas covered by Schedule VII of the Act, with preference to the local areas around where it operates. The focus areas are indicated below. The Board may add other Schedule VII activities from time to time.

- eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care) and sanitation, and providing safe drinking water;
- promoting education, including special education, and employment-enhancing vocational skills, especially for children, women, the elderly and persons with disabilities;
- promoting gender equality and women empowerment, and setting up homes and hostels for women, orphans and senior citizens;
- ensuring environmental sustainability, ecological balance, animal welfare, and conservation of natural resources;
- protecting national heritage, art and culture, and promoting traditional arts;
- measures for the benefit of armed forces veterans, war widows and their dependents;
- training to promote rural sports, nationally recognised sports and Paralympic sports;
- contributions to funds set up by the Central or State Government for socio-economic development and relief;
- rural development projects and slum area development; and
- disaster management, including relief, rehabilitation and reconstruction.

6. Activities that do not count as CSR

The following will not be treated as CSR expenditure:

- activities carried out in the normal course of the Company's business;
- activities undertaken outside India, except training of Indian sports personnel;
- contributions of any kind to any political party;
- activities benefiting only the Company's employees and their families;
- one-off events such as marathons, awards, charitable contributions, advertisements, sponsorships of TV programmes or movies; and
- spending on fulfilling any other statutory obligation.

7. Amount to be spent

- The Company will spend, in every financial year, at least two per cent of its average net profit on CSR activities in pursuance of this Policy (Section 135(5)).
- Any surplus arising from CSR projects will not form part of the Company's business profit. It will be used for CSR purposes.
- Administrative overheads will not exceed five per cent of the total CSR expenditure for the year.

- Any amount spent in excess of the required amount may be set off against the CSR obligation of up to the next three financial years, subject to the conditions in the CSR Rules and a Board resolution.

8. Implementation

1. **Annual Action Plan.** Based on the CSR Committee's recommendation, the Board will approve an Annual Action Plan each year. It will list the projects, how they will be carried out, the planned spending, the monitoring mechanism and the time frame. The Board may modify the plan during the year on the Committee's recommendation.
2. **Mode of execution.** The Company may carry out projects directly, or through an Implementing Agency, or by collaborating with other companies. An Implementing Agency must be registered with the Ministry of Corporate Affairs (Form CSR-1) and must meet the track-record and registration conditions in the CSR Rules.
3. **Agreements.** Projects through an Implementing Agency will be covered by a written agreement stating the project, amount, time frame, reporting and utilisation requirements.
4. **Ongoing projects.** A multi-year project (up to three years, excluding the year it began) with approved timelines may be treated as an ongoing project, as the CSR Rules allow.

9. Unspent CSR amount

- **Ongoing projects.** The unspent amount will be transferred to a special bank account called the "Unspent CSR Account" within 30 days from the end of the financial year, and spent within three financial years. If not spent, it will be transferred to a Fund specified in Schedule VII within 30 days from the end of the third year (Section 135(6)).
- **Other than ongoing projects.** The unspent amount will be transferred to a Fund specified in Schedule VII within six months of the end of the financial year (Section 135(5), second proviso).
- The Board will state the reasons for not spending the amount in its report.

10. Monitoring, certification and reporting

- The CSR Committee will review the progress of projects at least once a year, and the Implementing Agency will submit regular progress and utilisation reports.
- The Board will satisfy itself that the funds have been used for the purposes and in the manner it approved. The person responsible for financial management will certify this.
- Where the Company's average CSR obligation for the three preceding years is ₹10 crore or more, it will conduct an impact assessment as the CSR Rules require. Currently this is not applicable.
- The Board's Report will include an Annual Report on CSR activities in the format prescribed by the CSR Rules, and will state the composition of the CSR Committee.

11. Disclosure

The composition of the CSR Committee, this Policy and the approved CSR projects will be placed on the Company's website, as the CSR Rules require. Web-link: https://pislinfra.com/

12. Records

The Company will keep records of CSR decisions, agreements, utilisation certificates, bank statements and project reports for at least 8 years.

13. Review and amendment

The CSR Committee will review this Policy at least once a year. Any change must be approved by the Board. If this Policy conflicts with a law in force, the law will prevail.

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