

PRAGYAWAN TECHNOLOGIES LIMITED



Corporate Social Responsibility Policy

(Under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014)

CIN: U29292DL2011PLC222502

**Registered Address: Flat No. 2, 2nd Floor, Plot No. 70-A/31 Guru Nanak Pura, Laxmi Nagar,
110092, Delhi, Indi**

1. PREAMBLE AND LEGAL FRAMEWORK

- 1.1** The Company recognises its responsibility to contribute to the sustainable development of the communities and environment in which it operates, beyond the creation of financial value for its shareholders.
- 1.2** This Policy is framed in compliance with Section 135 and Schedule VII of the Companies Act, 2013 (the “**Act**”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “**Rules**”), each as amended from time to time, together with the clarifications and circulars issued by the Ministry of Corporate Affairs (“**MCA**”).
- 1.3** Section 135 applies to a company that, during the immediately preceding financial year, had a net worth of ₹500 crore or more, or turnover of ₹1,000 crore or more, or net profit of ₹5 crore or more. This Policy shall apply to the Company for every financial year in which it meets any of these thresholds, and for the period of continued applicability prescribed by the Act. If the Company does not meet the thresholds, the Board may nevertheless adopt this Policy voluntarily; in that case, expenditure shall be tracked but statutory consequences of Section 135 shall not apply.

2. DEFINITIONS

Words and expressions not defined here have the meaning given in the Act and the Rules. In this Policy:

- (i) “Company” means Pragyawan Technologies Limited”.
- (ii) “Annual Action Plan” means the plan described in Clause 8.
- (iii) “Board” means the Board of Directors of the Company.
- (iv) “CSR Committee” or “Committee” means the Corporate Social Responsibility Committee of the Board constituted under Clause 5.
- (v) “CSR Obligation” means the amount the Company is required to spend in a financial year under Section 135(5) of the Act.
- (vi) “Implementing Agency” means an entity through which the Company undertakes CSR activities, as permitted under Clause 9.
- (vii) “Ongoing Project” means a multi-year project undertaken to fulfil the CSR Obligation, with a timeline not exceeding three years excluding the year of commencement, including a project whose duration the Board has extended beyond one year on reasonable justification.
- (viii) “Schedule VII” means Schedule VII to the Act, listing activities that may be undertaken as CSR.
- (ix) “Unspent CSR Account” means the special bank account opened with a scheduled bank under Section 135(6) of the Act.

3. VISION, PHILOSOPHY AND OBJECTIVES

- 3.1 Philosophy.** The Company believes that business and society are interdependent. It will conduct CSR in a transparent, ethical and accountable manner, with a focus on measurable outcomes and long-term community benefit rather than one-off giving.
- 3.2 Objectives.** The objectives of this Policy are:

- (a) to comply fully with Section 135 of the Act and the Rules;
- (b) to support programmes that improve the quality of life of communities, particularly the underprivileged and marginalised, and to give preference to the local areas around the Company's operations;
- (c) to design CSR interventions as projects with defined goals, budgets, timelines and outcome indicators;
- (d) to embed strong governance, due diligence, monitoring and impact assessment in all CSR spending; and
- (e) to build trust with stakeholders through public disclosure of CSR policy, projects and outcomes.

4. FOCUS AREAS AND ELIGIBLE ACTIVITIES

- 4.1 Focus areas.** The Company will undertake activities falling within Schedule VII, a summary of which is at Annexure B. The Board, on the recommendation of the CSR Committee, will select the following focus areas for the Company: [Education and skill development; Preventive healthcare, sanitation and safe drinking water; Eradication of hunger, poverty and malnutrition; Gender equality and women's empowerment; Environmental sustainability; Rural development] and any other Schedule VII area approved by the Board.
- 4.2 Local area preference.** In keeping with Section 135 of the Act, the Company shall give preference to the local area and areas around which it operates. Projects elsewhere in India may be taken up where local needs are met or where the Board considers a national or regional priority to be warranted.
- 4.3 Exclusions.** The following shall not count as CSR expenditure:
- (a) activities undertaken in the normal course of the Company's business;
 - (b) activities undertaken outside India, except training of Indian sports personnel as permitted by the Rules;
 - (c) any contribution, directly or indirectly, to a political party under Section 182 of the Act;
 - (d) projects or activities that benefit only the Company's employees and their families;
 - (e) sponsorships undertaken to obtain marketing benefits for the Company's products or services;
 - (f) one-off events such as marathons, awards, charitable contributions, advertisements or sponsorship of television programmes or similar media;
 - (g) activities undertaken to fulfil any other statutory obligation under any law in force in India; and
 - (h) any expenditure on an item not in line with Schedule VII.

5. CSR COMMITTEE

- 5.1 Composition.** The Board shall constitute a CSR Committee of three or more Directors, of whom at least one shall be an Independent Director. The Board shall disclose the composition of the Committee in its report. The Board shall designate one member as Chairperson.
- 5.2 Secretary and invitees.** The Company Secretary shall act as Secretary to the Committee. The Committee may invite executives, subject experts and representatives of Implementing Agencies to its meetings, without voting rights.

- 5.3 Meetings and quorum.** The Committee shall meet as often as needed and at least once in every financial year. The quorum shall be as mentioned in Articles of Association (“AOA”) of the Company. Meetings shall be conducted, and minutes kept, in line with the applicable Secretarial Standards.
- 5.4 Roles and responsibilities.** The Committee shall:
- (a) formulate and recommend to the Board this CSR Policy, indicating the activities to be undertaken as specified in Schedule VII;
 - (b) formulate and recommend to the Board the Annual Action Plan;
 - (c) recommend the amount of expenditure to be incurred on CSR activities in each financial year;
 - (d) institute a transparent monitoring mechanism for implementation of CSR projects;
 - (e) review utilisation of funds, project progress, impact assessment reports and compliance with this Policy at least half-yearly, and report the status to the Board;
 - (f) recommend the selection and, where necessary, termination of Implementing Agencies; and
 - (g) perform any other function assigned by the Board or required under the Act and the Rules.

6. ROLE OF THE BOARD

The Board shall:

- (a) approve this Policy after considering the recommendations of the CSR Committee, and approve any amendment;
- (b) approve the Annual Action Plan and any alteration to it during the financial year, on the recommendation of the CSR Committee and with reasonable justification;
- (c) ensure that the activities in this Policy and the Annual Action Plan are undertaken, and that the CSR Obligation is spent every financial year;
- (d) satisfy itself that funds disbursed have been used for the approved purposes and in the approved manner;
- (e) ensure the transfer of unspent amounts as required by Clause 11;
- (f) disclose the composition of the CSR Committee, this Policy and the approved projects on the Company’s website, as required by the Rules;
- (g) include the Annual Report on CSR in its report to shareholders, and, where the CSR Obligation is not fully spent, disclose the reasons in that report; and
- (h) decide on set-off of excess spend as provided in Clause 7.4.

7. CSR OBLIGATION AND BUDGET

- 7.1 Quantum.** The Company shall spend in every financial year at least two per cent of its average net profit made during the three immediately preceding financial years. Net profit shall be calculated in accordance with Section 198 of the Act and the Rules.
- 7.2 Budget.** The Committee shall recommend, and the Board shall approve, the CSR budget for each year as part of the Annual Action Plan. The Board may approve spending above the statutory minimum.
- 7.3 Administrative overheads.** Administrative overheads shall not exceed the limits as prescribed under the Companies Act, 2013

- 7.4 Set-off of excess spend.** If the Company spends more than the required CSR Obligation in a financial year, it may set off the excess against the CSR Obligation of up to the immediately succeeding three financial years, provided that the Board passes a resolution to that effect and the excess does not include any surplus arising from CSR projects.
- 7.5 Surplus from projects.** Any surplus arising from a CSR project shall not form part of the Company's business profit. It shall be ploughed back into the same project or transferred to the Unspent CSR Account and spent in pursuance of this Policy and the Annual Action Plan.
- 7.6 Impact assessment expenditure.** Expenditure on impact assessment, up to the limit allowed by the Rules, may be counted as CSR expenditure for the year.

8. CSR ANNUAL ACTION PLAN

- 8.1** The CSR Committee shall formulate and recommend to the Board an Annual Action Plan in the format at Annexure A. The Plan shall include:
- (a) the list of CSR projects or programmes to be undertaken, with the relevant Schedule VII item and location (state and district);
 - (b) the manner of execution, including the Implementing Agency, if any;
 - (c) the modalities of fund utilisation and the implementation schedule;
 - (d) the monitoring and reporting mechanism for the projects; and
 - (e) details of need and impact assessment, if any, for the projects.
- 8.2** Projects shall be designed in project or programme mode, with stated objectives, budget, timeline and outcome indicators. A needs assessment, which may be carried out by a professional agency, should precede major projects.
- 8.3** The Board may alter the Annual Action Plan at any time during the financial year, on the recommendation of the CSR Committee and with reasonable justification.

9. MODES OF IMPLEMENTATION

- 9.1** The Company may undertake CSR activities in any of the following ways:
- (a) directly;
 - (b) through a company established under Section 8 of the Act, or a registered public trust or registered society, established by the Company, either singly or along with any other company, or by its holding, subsidiary or associate company;
 - (c) through an entity established under an Act of Parliament or a State legislature;
 - (d) through a Section 8 company, registered public trust or registered society, other than those above, with an established track record of at least three years in undertaking similar activities; and
 - (e) in collaboration with other companies, provided each company is able to report separately on its contribution to the project.
- 9.2** Every Implementing Agency, other than a Government body, must be registered under Section 12A and Section 80G of the Income-tax Act, 1961, and must have obtained a CSR Registration Number by filing Form CSR-1 with the MCA, as required by the Rules.

10. SELECTION AND DUE DILIGENCE OF IMPLEMENTING AGENCIES

- 10.1** Before engaging an Implementing Agency, the Company Secretary and Compliance officer in consultation with the members of CSR committee shall carry out due diligence and place its findings before the Committee. At a minimum, the agency must:
- (a) hold a valid CSR Registration Number, and registrations under Sections 12A and 80G of the Income-tax Act, 1961 and a Permanent Account Number;
 - (b) be a registered trust, society or Section 8 company with a permanent office in India and a verifiable constitution;
 - (c) have an established track record of at least three years in similar activities, with audited financial statements and income-tax returns for the last three years;
 - (d) hold registration under the Foreign Contribution (Regulation) Act, 2010, where applicable, and file its returns;
 - (e) have the professional capacity, systems and financial controls to implement the project and to maintain books and generate reports;
 - (f) have no adverse record, such as blacklisting, litigation involving fraud or misuse of funds, or regulatory action; and
 - (g) not be a related party of the Company or any of its Directors or Key Managerial Personnel, unless the Committee has been informed of the relationship and has approved the engagement on arm's-length terms, with the interested member abstaining.

11. ONGOING PROJECTS AND UNSPENT AMOUNTS

- 11.1** Where the Company has not spent its CSR Obligation in full in a financial year, the Board's report shall state the reasons.
- 11.2** For an Ongoing Project, the unspent amount shall be transferred to the Unspent CSR Account within thirty days from the end of the financial year, and shall be spent on that project within three financial years from the date of transfer. If it is not spent within that period, the Company shall transfer it to a Fund specified in Schedule VII within thirty days from the end of the third financial year.
- 11.3** For any unspent amount that does not relate to an Ongoing Project, the Company shall transfer it to a Fund specified in Schedule VII within six months from the end of the financial year.

12. MONITORING AND REPORTING

- 12.1** The Committee shall oversee a transparent monitoring mechanism, which shall include:
- (a) a project-wise MIS tracking budget, spend and outcome indicators against the Annual Action Plan; and
 - (b) periodic reports to the Board by the CSR Committee.
- 12.2** The Chief Financial Officer, or the person responsible for financial management, shall certify that funds disbursed have been utilised for the purposes and in the manner approved by the Board.
- 12.3** Employees engaged in CSR shall be trained on this Policy, and where appropriate on project management and compliance requirements.

13. IMPACT ASSESSMENT

- 13.1** Where the Company's average CSR Obligation in the three immediately preceding financial years is ₹10 crore or more, it shall undertake an impact assessment, through an independent agency, of each CSR project with an outlay of ₹1 crore or more that was completed at least one year before the assessment.
- 13.2** Even where the above requirement does not apply, the Committee may commission impact assessments of strategic or high-value projects. Reports shall be placed before the Board and, where required, annexed to the Annual Report on CSR. Findings shall be used to improve future projects.

14. DISCLOSURE AND TRANSPARENCY

- 14.1** The Company shall disclose on its website the composition of the CSR Committee, this Policy and the CSR projects approved by the Board, in the manner required by the Rules.
- 14.2** The Board's report shall include the Annual Report on CSR in the prescribed format. The Company shall also file Form CSR-2 with the Registrar of Companies, as required, and make all other disclosures required by the Act and the Rules.

15. GOVERNANCE, ETHICS AND CONFLICT OF INTEREST

- 15.1** CSR funds shall not be used for political contributions or to obtain any business advantage, favour or improper benefit for the Company, its Directors, employees or their relatives.
- 15.2** A Director, Key Managerial Personnel or employee who has a direct or indirect interest in a proposed CSR project or Implementing Agency shall disclose the interest and shall not take part in decisions on its.
- 15.3** Concerns about misuse of CSR funds or breach of this Policy may be raised through the Company's vigil mechanism or whistle-blower policy.
- 15.4** The Company Secretary shall maintain complete records of CSR approvals, agreements, payments, reports and certificates for the period required by the Act and the Company's record-retention policy, and in any case for not less than eight years.

16. REVIEW, AMENDMENT AND INTERPRETATION

- 16.1** The CSR Committee shall review this Policy at least once a year and recommend changes to the Board. Any amendment to the Act or the Rules shall be deemed to be incorporated in this Policy from the date it takes effect, and, to the extent of any inconsistency, the Act and the Rules shall prevail.
- 16.2** In case of doubt on interpretation, or on matters not covered here, the decision of the CSR Committee, taken in line with the Act and the Rules, shall be final.

Version approved by: The Board of Directors

Effective Date: January 15, 2026

Place: Noida

Note: Approved in the Board meeting dated January 15, 2026

ANNEXURE A: FORMAT OF CSR ANNUAL ACTION PLAN

Financial year: [●] CSR Obligation for the year: ₹ [●] Budget approved by the Board: ₹ [●]

Sl. No.	Project / programme	Schedule VII item	Location (State, district)	Budget (₹) and timeline	Implementing Agency and mode	Monitoring and outcome indicators
1	[●]	[●]	[●]	[●]	[●]	[●]
2	[●]	[●]	[●]	[●]	[●]	[●]
3	[●]	[●]	[●]	[●]	[●]	[●]

Also to be stated: administrative overheads (not above 5%); details of need and impact assessment, if any; and whether each project is a new or an Ongoing Project.

ANNEXURE B: SUMMARY OF SCHEDULE VII ACTIVITIES

This is a summary for convenience. The text of Schedule VII, as amended from time to time, prevails.

- (i) Eradicating hunger, poverty and malnutrition; promoting health care, including preventive health care; sanitation, including contribution to the Swachh Bharat Kosh; and making available safe drinking water.
- (ii) Promoting education, including special education and employment-enhancing vocation skills, especially among children, women, the elderly and the differently abled, and livelihood enhancement projects.
- (iii) Promoting gender equality and empowering women; setting up homes and hostels for women and orphans; old age homes, day care centres and similar facilities for senior citizens; and measures to reduce 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.
- (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; and promotion and development of traditional art and handicrafts.
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, and Central Armed Police Forces and Central Para Military Forces veterans 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, PM CARES Fund, or any other fund set up by the Central Government for socio-economic development and relief and welfare of Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.
- (ix) Contribution to incubators or to research and development projects in science, technology, engineering and medicine funded by the Central or State Government or a public sector undertaking, and to specified public-funded universities, IITs, national laboratories and autonomous bodies engaged in such research.
- (x) Rural development projects.
- (xi) Slum area development.
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities.