

CSR POLICY

of **PREMIER CRYOGENICS LIMITED**

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CSR Policy

Premier Cryogenics regards Corporate Social Responsibility as a dedicated approach towards the process of social, economic and environmental development. It is a mission with commitment to uphold the basic objectives of conducting business responsibly with social accountability and improving the quality of life of the people and society in which it operates. In this direction, the Company believes that CSR is an effective tool for inclusive growth of the organization, its stakeholders and the society in which it survives. It is a cohesive effort focused on upliftment of the society and to become a good responsible corporate citizen. This policy shall be a guide for carrying out the Company's corporate social responsibilities in a more effective manner.

This CSR policy has been formulated in accordance with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014.

CSR Policy

The policy is aimed towards directing the CSR programmes of Premier Cryogenics in the focus areas with a view to contribute to the sustainable development of the society and environment primarily in the areas in which the Company operates. The CSR projects, programmes or activities undertaken by the Company shall exclude activities undertaken in pursuance of its normal course of business.

Focus Areas

The Company will undertake CSR activities in localities of urban as well as rural areas where its operations are carried out. The developmental activities may be extended to any other areas as may be approved by the CSR Committee from time to time. Although the Company shall strive to ensure that its CSR benefits reach all communities as per their needs, it would focus on the socially and economically disadvantaged/ marginalized groups including women, girl children, scheduled castes and tribes.

As per the requirements of the Companies Act, 2013 read with the list of activities as laid down in Schedule VII to the said Act, the Company's CSR activities, amongst others, will focus on the following:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
3. Rural development projects for strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods.
4. 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.
5. 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.

In addition to the above, the Company may also pursue CSR activities in the following areas:

6. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
8. Measures for the benefit of armed forces veterans, war widows and their dependants.
9. 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.
10. Slum area development [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.
11. 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.
12. Such other activities as may be prescribed from time to time under Schedule VII to the Companies Act, 2013.

Implementation

The Company shall strive to implement its CSR activities on its own to the extent possible through its own personnel or through external implementing agencies or through Trust(s), Society(ies), Foundation(s) and Section 8 company(ies) that may be established by the Company from time to time.

Depending upon the needs and circumstances, the Company may also carry out its CSR activities in collaboration with organizations which are registered as a Trust, or a Society or NGO or a Foundation or a Section 8 company under the Companies Act, 2013 or any other form of entity incorporated in India specializing in the aforesaid CSR activities. The Company may also contribute to various funds like 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. The Company may also work in partnership with other Companies by collaborating or pooling resources to undertake the aforesaid CSR activities.

Governance

The Company's Governance structure for implementing the CSR activities shall include the CSR Committee of the Board, the Company's top level management and the Implementing team(s) constituted out of corporate personnel for implementation of the specified CSR activities.

The CSR Committee shall consist of three or more directors of which at least one shall be an independent director. The CSR Committee shall be responsible for:

- i) Formulation of the CSR Policy and recommending the same to the Board.
- ii) Recommend to the Board CSR expenditure to be incurred.
- iii) Monitoring of implementation of the CSR policy and activities thereunder.
- iv) Recommend to the Board, modification to CSR policy as and when required.

The top level management shall be responsible for:

- i) Implementation of the CSR policy.
- ii) Identifying CSR activities and draw annual plan and budget for the same.
- iii) Facilitate allocation of funds.
- iv) Constitute CSR implementation teams and monitor and report the status to the CSR Committee.

The Implementing team shall consist of requisite number of corporate personnel and shall be responsible for:

- i) Implementation of the CSR action plans.
- ii) Conduct needs assessment survey and provide inputs for the CSR plans.
- iii) Periodical reporting of CSR interventions/programmes.
- iv) Any other activity necessary to ensure achievement of the Company's CSR mission.

Depending on interventions/programmes, external experts may be engaged on a contract basis for development of inputs, planning, implementation, monitoring effectiveness of CSR initiatives, etc.

Funding of Expenditure

The Management will place an annual plan before the CSR Committee specifying the CSR programme to be carried out during the financial year and the budget for the same. The Committee will finalize and recommend the same to the Board for sanction and approval.

To meet the expenditure on CSR activities, the Company shall, in every financial year, allocate at least 2% of the average net profits of the company made during the three immediately preceding financial years, in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The CSR expenditure shall include all expenditure, direct and indirect, incurred by the Company on CSR programmes undertaken in accordance with the approved CSR plans. Any surplus arising out of the CSR projects, programmes or activities shall be re-deployed back into the CSR activities and will not be part of the business profits of the Company.

Monitoring & Reporting

The CSR Committee will review the implementation and progress report of the CSR project on a regular basis as placed before it by the Management. This status report would contain amongst others, the details of the CSR project undertaken, achievements made since the last report, year-to-date achievements and expenses incurred during the respective periods in comparison to the budget. Variations, if any, with reasons, shall be given in the report.

A copy of the report shall be placed by the CSR Committee before the Board. Necessary disclosures shall be made annually as per the provisions of the Companies Act and CSR Rules made thereunder, in the Board's Report of the Company and on the Company's website, if any.

Policy Review

This CSR policy may be reviewed and modified from time to time, as may be considered necessary by the CSR Committee of the Board.
