

CORPORATE SOCIAL RESPONSIBILITY POLICY

PAN GULF TECHNOLOGIES LIMITED

Version	Description	Approval	Date of approval/ Date of modification	Effective date
1	Adoption of Policy	Approved by the Board	Modified in the Board meeting held on 25-08-2025	25-08-2025

CORPORATE SOCIAL RESPONSIBILITY POLICY

Objective

The main objective of this policy is to lay down guidelines to make Corporate Social Responsibility (CSR) a key business process for sustainable development for the society and to generate goodwill and recognition among the stakeholders of the Company.

Definitions

“Act” shall mean the Companies Act, 2013, as amended from time to time

“Board” shall mean the Board of Directors of Pan Gulf Technologies Limited.

“Committee” or **“CSR Committee”** shall mean a Committee of the Board set up in accordance with, and to carry out such functions as prescribed under the Act/Rules in connection with CSR.

“Company” shall mean Pan Gulf Technologies Limited.

“CSR” shall mean Corporate Social Responsibility as understood under the Companies Act, 2013, and Rules made thereunder as amended from time to time.

“CSR Policy” or **“Policy”** shall mean this Corporate Social Responsibility Policy.

“Rules” shall mean the Companies (Corporate Social Responsibility) Rules, 2014.

Except as above, definitions and abbreviations as provided in the Act and the Rules shall apply to this Policy.

The Regulatory Framework

The Companies Act 2013 together with the Rules notified thereunder as amended from time to time (“Act”) and Schedule VII to the Act provide a framework for companies to define the key thrust areas in the CSR space. The law also guides companies to apply the scope as defined under Schedule VII liberally. Further, the Act also provides guidelines on identifying agencies eligible for implementation through which companies may spend its CSR Expenditure. The Act also mandates assessing the impact of the Company’s projects in certain cases. PGT’s CSR Policy, the Key Thrust Areas and the implementing agencies shall therefore remain and operate within the boundary set by the law.

Focus areas on CSR Activities

The Company shall pursue CSR activities in accordance with the provisions of Section 135/Schedule VII of the Act and the Rules. In particular, the Company shall pursue and implement activities and projects in education, sports, rural development and such other activities as laid down in Section 135/Schedule VII of the Act. The Company shall carry out such activities by itself and/or through bodies engaged in such activities and/or in such other way as permissible under law. Within this framework, the Board shall identify and implement such specific activities/projects, etc. that it deems fit.

Company shall undertake CSR activities in the following areas as per Schedule VII of Companies Act 2013:

- i. Eradicating hunger, poverty and malnutrition, “promoting health care including preventive health care” and sanitation⁴[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 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;
- 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
- x. (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 Defense 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)
- xi. rural development projects
- xii. slum area development.
- xiii. disaster management, including relief, rehabilitation and reconstruction activities.

Exclusions from CSR Activities

- Contribution to any Political Parties
- CSR Activities that benefit only employees and their families.
- CSR Activities carried outside India.
- One-off events such as marathons/ awards/ advertisement/ sponsorships of TV programmes etc.
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.)

Corporate Social Responsibility Committee

The requirement for forming a CSR Committee will not be applicable to the Company on the following conditions:

- 1) if the amount to be spent as CSR expenditure does not exceed fifty lakh rupees.
- 2) If the Company does not have any unspent amount pursuant to any ongoing CSR Project.

In such a case, the functions of the CSR Committee shall be performed by the Board.

The Board will play the following role in fulfilling the Company's CSR objective:

- i. Formulating an Annual Action Plan in pursuance to the CSR Policy.
- ii. Approving the annual CSR expenditure budget;
- iii. Monitor the CSR Policy of the Company from time to time
- iv. Monitoring the status of the CSR activities and contributions made by the Company
- v. Approving of any alteration in the annual action plan at any time during the year and update, if any, required to the CSR Policy;
- vi. Implementation and Monitoring of the CSR activities as per the annual action plan;
- vii. Undertake Impact assessment through third parties for CSR projects whenever applicable;
- viii. Ensure implementation of CSR activities of the Company within the applicable framework;
- ix. Determine the overall scope of, provide input on, and adopt the CSR report;
- x. Performance of such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Board from time to time.

CSR Funds

The Company shall allocate at least 2% of its average net profits made during the 3 immediately preceding financial years, in pursuance of its Corporate Social Responsibility and subject to Section 135 of the Companies Act, 2013 and the Rules made thereunder.

Net Profit mentioned herein above means net profit as calculated under Section 198 of the Companies, Act, 2013.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

CSR Expenses

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board but does not include any expenditure on an item not in conformity with the CSR Policy.

Implementation and Monitoring

Implementation:

The Company may undertake, through a registered trust or a registered society, the CSR projects/programmes/activities in identified areas and as per the provisions of the Act and Rules, framed thereunder. The Company may also collaborate with other companies for undertaking projects/programmes/activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the Act and Rules made thereunder.

Company may build CSR capacities of its own, i.e. of their own personnel, as well as those of their implementing agencies through institutions with a track record of at least three financial years, and any other criteria which the Board, may deem fit.

Monitoring

Impact Assessment – In the event of average CSR obligation of Rs. 10 crores or more in the three immediately preceding financial years, the Company shall ensure that impact assessment through an independent agency is carried out for CSR projects having an outlay of Rs. 1 crore or more. Expenditure incurred for such assessment shall not exceed 2% of the total CSR expenditure for the financial year or 50 lakh rupees, whichever is higher

Monitoring will be done with the help of identified key qualitative and quantitative performance indicators, with a continuous feedback mechanism, and recourse for midcourse correction in implementation, if needed, to ensure efficacy.

All expenditure towards the programs to be diligently documented. In case 2% of average net profit of the last 3 years is not spent in a financial year, reasons for the same to be specified in the CSR report.

The surplus from the allocated CSR budget will not be utilized for business or form part of business profits.

Guiding Principles for Annual Action Plan:

Pan Gulf Technologies Limited shall prepare an Annual Action plan of the Company to identify the activities and the CSR expenditure to be spent during the year which shall include the details as mentioned in the rules.

Further, the guiding principles required to formulate the Annual Action Plan are as follows:

- a) CSR programs shall not include activities as restricted under the amended CSR Rules.
- b) The preference for CSR programs is to be given by the Company to local areas and areas around its operations.
- c) The CSR activities may be carried out directly or through implementing agency/ies.
- d) Action plan shall be Simple, Action oriented, Measurable, Relevant and Time Bound.

During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s).

Subject to the provisions of the Act, the Company may also utilize its CSR spend towards creation or acquisition of a capital asset.

Monitoring and Review

Board shall oversee the policy execution and prepare monitoring mechanism to ensure implementation of the projects, programmes and activities proposed to be undertaken by the Company as per the Policy.

The CSR Policy shall be periodically reviewed and appropriately revised by the Board.

Disclosures

Company will also disclose the CSR projects/programmes/activities on the official website as required under the Act and the rules.

A brief summary of CSR projects/programmes/activities will also be included in the Annual Report in the prescribed format as per the CSR rules of the Act.

The Board's Report of the Company shall include CSR section disclosing the CSR Policy, CSR Committee, CSR activities undertaken by the Company, amount spend during financial year and such other information as required under the law.

Limitation and amendment

The Board of Directors may in their discretion and on recommendation of the CSR committee, make any changes/modifications and/or amendments to this Policy from time to time.

Requirements with respect to quorum, notice of meeting, documentation, etc. shall be in conformity with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government, unless expressly stated otherwise.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

Approval of CSR Policy

The Board of Directors in their meeting held on August 25, 2025 approved the modifications in the Corporate Social Responsibility Policy.