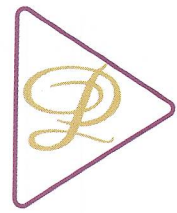


PATEL RETAIL LIMITED

(FORMERLY KNOWN AS PATEL RETAIL PRIVATE LIMITED)

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PATEL RETAIL LIMITED

TRUST & TOGETHERNESS

CORPORATE SOCIAL RESPONSIBILITY POLICY

[Pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Amendment Rules, 2021]

1. PREFACE

- 1.1 Corporate Social Responsibility (“CSR”) is strongly connected with the principles of sustainability. Organizations should make decisions based not only on financial or operational factors, but also on the social and environmental consequences. Therefore, it is the core responsibility of Patel Retail Limited (“Company”) to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders. Therefore, the Company’s CSR Policy is a statement containing the approach and direction given by its Board of Directors (“Board”), taking into account the recommendations of its CSR Committee and includes guiding principles for selection, implementation, monitoring activities as well as formulation of the annual action plan.
- 1.2 The Corporate Social Responsibility Policy of the Company (“CSR Policy” / “Policy”) is framed pursuant to the provisions of section 135, Schedule VII of the Companies Act, 2013 (“Act”) and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“CSR Amendment Rules”), as amended from time to time.
(Note: The Act and CSR Amendment Rules are collectively referred to as “Applicable Laws”)

2. OBJECTIVE AND PURPOSE

The key purpose of this Policy is to:

- (i) Outline the development areas for CSR for the Company;
- (ii) Define a governance structure for CSR management within the Company.

3. FOCUS AREAS

The Company has identified the following focus areas for its CSR Programmes as under:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

- 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.

4. IMPLEMENTATION

4.1 The Company's CSR activities will be implemented by itself or through:

- a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 ("IT Act"), established by the Company, either singly or along with any other Company, or
- a company established under section 8 of the Act, or a registered trust or a registered society, established by the Central Government or State Government;
- an entity established under an Act of Parliament or a State legislature;
- a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80 G of the IT Act, and having an established track record of at least three (3) years in undertaking similar activities.

Further, the Company may also collaborate with other companies for undertaking CSR projects / programmes or CSR activities. However, the CSR committees of the respective companies should be in a position to report separately on such projects / programmes / activities in accordance with the Applicable Laws.

5. GOVERNANCE

5.1 We have established a robust and transparent governance structure to oversee the execution of our CSR Policy, in compliance with the Applicable Laws.

(i) CSR Committee

The CSR governance structure of our Company will be headed by the CSR Committee. The CSR Committee will review, monitor and provide strategic direction to the Company's CSR and sustainability practices towards fulfilling its objectives. The CSR Committee will report to our Board.

(ii) Members

The CSR Committee of the Board comprises of Four (4) directors, including an independent director. At present, the members of the CSR Committee are as under:

- Harshini Jadhav- Chairperson;
- Dhanji Raghavji Patel- Member
- Hiren Bechar Patel- Member and
- Bechar Raghavaji Patel- Member.

(iii) Responsibilities of the CSR Committee

Every year, the CSR Committee will formulate and place before the Board, an annual action plan which shall include the following:

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

- (b) The manner of execution of such projects or programmes;
- (c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) Monitoring and reporting mechanism for the projects or programmes; and
- (e) Details of need and impact assessment, if any, for projects undertaken by the Company.

The Board is empowered to alter the annual action plan at any time during the financial year, basis the CSR Committee's recommendation and reasonable justification to that effect.

(iv) Responsibilities of the Board

The responsibilities of the Board *inter-alia* include the following:

- (a) Approve the CSR policy;
- (b) Disclose contents of such Policy in its report and also place it on the Company's website;
- (c) Ensure that the CSR activities are related to activities, areas or subjects prescribed / listed under Schedule VII of the Act;
- (d) Ensure that the activities included in the CSR Policy are undertaken by the Company;
- (e) Ensure that the Company spends, in every financial year, at least two percent (2%) of its average net profits made during the three (3) immediately preceding financial years;
- (f) Satisfy itself regarding the utilisation of the disbursed CSR funds; and
- (g) If the Company fails to spend at least two percent (2%) of its average net profits, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.

6. CSR EXPENDITURE

- 6.1 The Board of the Company will ensure that the Company spends in every financial year, atleast two percent (2%) of the average net profits earned by it in the immediately preceding three (3) financial years, towards approved CSR activities.
- 6.2 Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall (i) be ploughed back into the same project *or* (ii) shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR Policy and Action Plan of the Company *or* (iii) transfer such surplus amount to a fund specified in Schedule VII of the Act, within a period of six (6) months of the expiry of the financial year.
- 6.3 If the Company spends an amount in excess of the statutory limit, such excess amount may be set-off against the requirement to spend up to immediate succeeding three (3) financial years, subject to certain conditions.

7. REPORTING

- 7.1 Details such as composition of the CSR Committee, CSR Policy and projects approved by the Board will also be disclosed on the Company's website, for public access.
- 7.2 The Board report of the Company as regards a financial year shall include an annual report on CSR containing particulars as specified under Applicable Laws.

8. AMENDMENTS TO THE CSR POLICY

This Policy will be reviewed by the Board, on the recommendation of the CSR Committee, as and when deemed necessary.

In the event of any inconsistency between this Policy and the Applicable Laws, the Applicable Laws will prevail.