

PUREARTH INFRASTRUCTURE LIMITED

Corporate Social Responsibility Statement

Corporate Social Responsibility is the way a company utilizes its resources in not only meeting its stakeholder expectations and enhancing shareholders' value but also in taking a holistic view of its social environment and doing its bit to improve upon the same.

It is our firm belief that Corporates need to be socially aware of their responsibility and be always on the look out to help the society at large.

The philosophy of Corporate Social Responsibility (CSR) at Purearth is "to address the basic and fundamental need of the society locally". To this end Purearth fully understands and appreciates the power of education in an individual's life and hence, its CSR endeavours revolve around the sacred social cause of children's education.

PUREARTH is thus committed to provide financial and administrative assistance in ensuring quality education to children at the local level.

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Corporate Social Responsibility Policy

Purearth Infrastructure Limited

The Committee has perused the Corporate Social Responsibility (CSR) Statement of the Company and note that the Company has been undertaking CSR activities much before the relevant provisions under the Companies Act 2013 were notified. The Company has been financially and administratively contributing towards two Sr. Secondary Schools being run by the “DCM Educational Society” at Kishan Ganj, Delhi.

In view of the CSR Statement of the Company and the activities being undertaken by it presently, the Committee recommends following CSR Policy:

A. Definitions:

Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Board means Board of Directors of the Company.

Company means PUREARTH INFRASTRUCTURE LIMITED

Directors mean Directors of the Company.

“Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.

“Corporate Social Responsibility Committee” shall mean a Committee of Directors of the Company, as constituted and approved by the Board of Directors from time to time.

“Policy or This Policy” means, “Corporate Social Responsibility Policy.”

INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 as amended from time to time.

B. CSR Activities to be undertaken

- i. The Company should undertake and/or continue to undertake Projects and Programs in terms of CSR activities as per its CSR Statement. The Company may further undertake any other activities as per Schedule VII of the Act (attached with this Policy). Promotion of education is one of the activities enumerated therein.
- ii. The Company shall, with the approval of the Board of Directors, continue to contribute financially and administratively towards two Sr. Secondary Schools being run by the “DCM Educational Society” at Kishan Ganj, Delhi.
- iii. The Company may undertake the CSR activities through a registered trust or a registered society or a company registered by the company or its holding/subsidiary/associate company or by the Company itself.

- iv. The Company may also collaborate with other companies for undertaking CSR activities.
- v. Registration of Public Trust, Society, or a Company established under 8 of the Act is mandatory under Income Tax Act and Companies Act if a Company undertakes its CSR activities through any of the said entities.
- vi. The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.

CSR activities do not include activities undertaken in pursuance of normal course of business of the Company or benefitting only the employees of the Company and their families and / or any other activities as prescribed under Companies Act, 2013.

C. CSR Expenditure

- i. The Company shall spend, in every financial year, at least 2% (two per cent) of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy Statement.
- ii. Where a Company spends an amount in excess of the requirement under Section 135 (5), such excess amount may be set off against the amount to be spent under Section 135 (5) upto the immediately succeeding three financial years or till such period as per applicable provisions of the Companies Act, 2013.
- iii. If the Company fails to spend the amount specified in (i) above, the Board shall, in its report, specify the reasons for not spending the amount.
- iv. CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to approved CSR activities in terms of Companies Act, 2013.
- v. Surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.

D. Monitoring Mechanism

- i. The Company shall submit to the Committee, timely basis, the projects or programs undertaken by it and details of expenses made on the approved CSR activities.
- ii. The Committee should see that the Company fulfils its CSR obligations as per its CSR Statement and spends the requisite amount as stated in clause B(i) above.
- iii. If the company fails to spend such amount, the Board shall specify the reasons for not spending the amount to the Committee and also in the Report of the Board of Directors as prescribed under the Act.
- iv. The Company shall disclose the CSR activities done in its CSR Annual Report every year as prescribed in the Companies Act, 2013.
