CSR ACTIVITY OF PRECIHOLE SPORTS PRIVATE LIMITED

(Disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules 2014

COMPOSITION OF CSR COMMITTEE

FOLLOWING CSR COMMITTEE WAS FORMED BY THE BOARD OF DIRECTORS IN THEIR MEETING HELD ON 10/05/2021

SR NO	NAME OF DIRECTOR	DESIGNATION
1	ANIL SURENDRA KULKARNI	CHAIRMAN
2	AYAZ AHMED ABUSALEH QAZI	DIRECTOR
3	DR. YOGENDRA PRABHAKAR SHIRSAT	DIRECTOR

PRECHOLE SPORTS PRIVATE LIMITED

Corporate Social Responsibility Policy

1) Legal Provisions :-

1.1 : Section 135 of the Companies Act, 2013.

Every Company having net worth of rupees

- five hundred crore 500 cr or more or
- turnover of rupees one thousand crore 1000 Cr or more or
- a net profit of rupees five crore 5 Cr or more

During the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors out of which at least one director shall be an independent director.

The Board of every company referred to in sub section (1)*(liable to CSR)* shall ensure that the company spends in every financial years at least two percent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

1.2 : Corporate Social Responsibility Rules, 2016

The CSR Policy of the Company shall inter alia include the following namely --

(a) A list of CSR Project or Programs which a company plans to undertake areas or subjects specified in the Schedule VII of the Act specifying modalities of execution of such project or programs and implementation schedules for the same ,and

(b) Monitoring process of such projects or programs.

The Board of Directors of the company shall after taking into account the recommendation of CSR Committee Approve the CSR Policy for the company and disclose contents of such policy in its reports and the same shall be displayed on the company's website. If any, as per the particulars specified in the Annexure.

2) Authorization :-

2.1: The CSR policy of the company is approved vide Board Resolution Dated7th August, 2021

Approval of CSR Policy (Resolution No.2):

"Resolved that pursuant to the provisions of Section 135 (3) of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility) Rules 2014 and any other applicable provisions of the Acts & Rules made there under, the draft policy on CSR activities to be undertaken by the company, as placed before the board duly initialed by the chairman, be and is hereby approved and adopted as the Company's CSR policy."

"Resolved further that the approval of the Board is also hereby given to take up the following two projects as the specific area of CSR activity to be executed over next 2 years in progressive manner:

1 Supporting Armed Forces Veterans, war widows and their dependent's by sponsoring their education, higher education, skill development, vocational training or by contributing to approved organizations undertaking such support activities or such other approved method;

2 Promoting Target Shooting Sports by building avenues for easy access and training, by facilitating and/or sponsoring participation, equipment, travel of budding national or international players or by contributing to the development of the sport by any alternative means allowable under approved CSR activity from time to time

3) CSR Committee:-

The CSR committee formed by the BOARD is as under
Mr. Anil Surendra Kulkarni (Chairman)
Mr. Ayaz Ahmed Abusaleh Qazi (Director)
Dr. Yogendra Shirsat (Director)

4) Areas of Charity:-

4.1 Out of the list of the eligible activities in Schedule VII the following activities are proposed to be taken up

:-Promoting Target Shooting Sports by building avenues for easy access and training,
:-Supporting Armed Forces Veterans, war widows and their dependent's
:-Donating to any approved organization for any of the activity approved under Schedule VII of the Companies Act, 2013 as an eligible CSR activity.

4.2 :-Justification for selecting the above scope of CSR

The committee considered the activities listed in Sch VII and the evaluated the capability of the company to undertake/ execute activities in those areas. It was felt that donation to either a government approve NGO or a government company engaged in approved CSR activity is not desired since there will be little control over the actual spending of funds. The CSR committee also noted that in next 3 years the amount of contribution would be substantial and therefore their proper use is very important. The other aspect was that the related company of the PRECIHOLE group was also liable for CSR spending. Put together the amount would be sizable enough to fund a needed cause or activity.

Therefore the CSR committee decided to recommend those areas of activity which the company directors could carry out with some help and about which they had some background knowledge. It was also decided to form a Section 8 charitable company to carry out the CSR activity.

The Company is engaged in manufacture of Sports Guns. All directors are technocrats and having experience and expertise in their field of activity. Under the above circumstances all the areas of charity listed in Sch VII were evaluated as under :-

Schedule VII Activities:-

Sr. No.	Nature of Activity	Nature of Experience expertise of director	Remarks
1)	Eradicating Hunger, poverty and malnutrition promoting health care including preventive health care and Sanitation.	No experience	Activity not recommended for charity
2)	Promoting Education, Enhancing vocation skills especially among children's, women, elderly and the differently abled and livelihood enhancement projects.	No experience	Activity not recommended for charity
3)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans setting up old age homes day care centers and such other facilities.	No experience	Activity not recommended for charity
4)	Ensuring Environmental sustainability, ecological balance ,protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	No experience	Activity not recommended for charity
5)	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and work of arts.	No experience	Activity not recommended for charity
6)	Measures for the benefits of armed forces veterans, war widows and their dependents.	sports development of children of armed force veterans can be sponsored/ facilitated and/or Education/ higher education and vocational skill development can be sponsored.	Recommended
7)	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.	Dr. Shirsat director is a national level shooter so the need and method of assisting national level/ International level budding sportsmen is know and effective work can be done by CSR	Recommended
8)	Contribution to the Prime Minister's National Relief Fund.	Experience not needed	Can contribute on need basis
9)	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Governments.	Experience not needed	Can contribute on need basis
10)	Rural development projects.	No experience	Activity not recommended for charity
11)	Slum area development.	No experience	Activity not recommended for charity
12)	Disaster Management.	No experience	Activity not recommended for charity

On Evaluation of the above tabled activities the CSR Committee conclude that

I. If the company has to actually involve in any CSR activity The must be in such an area wherein the directors have at least some ideas or
II. The company will have to contribute to one of the activity by donating to an approved organization which undertakes any of the charts listed in Sch VII.

The Committee ruled in favor of active involvement instead of Passive contribution.

5) <u>Project for each of the shortlisted activity:-</u>

5.1:- Promoting target shooting sports: One of the director & CSR Committee member has been a shooter in the past and is well aware of the challenges faced by budding shooters infrastructure & professional guidance. It is therefore proposed to facilitate National level Shooters to graduate to international levels by providing:-

a) Shooting Range by purchasing time slots in existing ranges & sponsoring budding players.
b) Providing guidance / advice through reputed coaches.
c) Sponsoring the diet & implement of players with requisite spark in them.
d) Sponsoring their expenses of tournaments, national or international.

5.2:- Supporting Armed forces Veterans

5.2.1: Another activity taken up as a project is to finance the sports careers or school/college education of War veterans, war widows and their Children through appropriate scholarships.

5.2.2: The CSR fund may be also be used to sponsor any higher education or vocation or skill development Programs of war widows or their children.

6) <u>Project Cost :-</u>

6.1:- Out of total Contribution received to the CSR fund it is proposed that –

70% funds will be used for objective 1 i.e. sports activities

25% for objective 2- War veterans/ widows and their family assistance

5 % for direct donation to any of the charitable activity listed in Sch VII.

7) <u>Project Execution :-</u>

The CSR Committee has recommended the execution of the CSR expenditure through a new section 8 company formed for the purpose jointly with a related company PMT. The intent is to control the end use of funds and keep all records of the receipts and their application to charitable objects, which can be achieved if separate accounts are kept. Another reason for recommendation is that the amount to be contributed for CSR Activities by Precihole group companies is expected to be Substantial and hence donating it to another organization and having no control over the utilization was not found to be desirable

8) Time Frame :-

The activity undertaken for CSR are such that they are recurring and more or less permanent / regular in nature The board would therefore only ensure that funds are spent within 3 years on the ongoing project to comply with the law

9) Conclusion :-

The CSR Committee is unanimous that the policy shall be followed in letter & so that the company is able to give backs to the society a part of its profits as to be objective of CSR

As Recommended to the Board and approved by the Board on 08th August, 2021 as the Formal CSR policy of PRECIHOLE SPORTS PRIVATE LIMITED.

For CSR Committee of PSPL

1) Anil Surendra Kulkarni (Chairman) _____ Anil S. Kulkarni

(2) Mr. Ayaz Ahmed Abusaleh Qazi (Director) _____ Ayaz A Qazi

(3) Dr. Yogendra Shirsat (Director) _____ Y.P.Shirsat

CSR ACTION PLAN

(As recommended by the CSR Committee and approved by the Board in its meeting held on 15th March 2022)

Thrust Area	CSR Program / Interventions	Place	Reference Sr. No. Of Schedule VII	Implementation Schedule (2022-2023)			
				Q1	Q2	Q3	Q4
Promotion of National Sports	Training in Air Rifle Shooting Sports (in coordination with local shooting sports club)	Thane / Mumbai	VII	•	•	•	•
Support of War Veterans and families	Education / vocational skill development of war widows and their dependents. (with registered NGO)	Thane / Mumbai	VI			•	•
Environmental Protection	Planting of various beneficial trees (with Hariyali NGO)	Thane / Mumbai	IV	•			