

CORPORATE SOCIAL RESPONSIBILITY POLICY

“BGRS TEXTILE PRIVATE LIMITED”

**410, 4th Floor Trinnity Business Park, New LP Savani Road, Adajan, Surat 395009
Gujarat**



towards a sustainable business

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1. Preamble

We understand that our business activities impact the environment, society, and economy in the way we run our own business. We consider Corporate Social Responsibility ('CSR') as our business response towards the challenges of sustainable development and how we manage our processes to produce an overall positive impact on the local community and society at large. The CSR commitment of BGRS Textiles Pvt Ltd ('the Company') is consistent with the Company's operating policies and is built on the foundation of the belief that contribution of efforts and resources is essential for continued business success in the diverse, expanding, and interconnected world.

2. The objective of this Policy

The main objective of the CSR policy is conducting the business, which enables creations and distribution of wealth for the betterment of the local populace, its stakeholders, and society, through implementation and integration of ethical system and sustainable management practice. It's actively contributing to the social and economical development of the communities in which we operate in, so building a better, sustainable way of life for the weaker sections of society and raise the county's human development index and sustainable life of individuals".

This Policy lays down the guidelines and framework within which the Company shall pursue socially useful programs for welfare and sustainable development of the community.

3. CSR vision

BGRS Textiles Private Limited is committed to conducting business in an ethical, socially responsible, and environmentally sustainable manner. It is the Company's commitment to contribute efforts and resources towards India's present and future growth. We seek to actively engage in programs that improve the overall quality of life and have a positive impact on the community and society at large.

4. CSR activities

BGRS Textiles Private Limited firmly believes that it commits all its stakeholders - consumers, employees, and the community in which it operates. In this background, the Company shall endeavor to undertake CSR initiatives with a long-term view. Sustainable initiatives have long-term benefits and that have business linkage shall be accorded priority.

We endeavor to focus CSR efforts on specific programs, in the following areas:

- (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation 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 setup 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 arts and handicrafts;
- (vi) measure for the benefit of armed force 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 recognized sports, Paralympic sports and Olympics sports;
- (viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic

development and relief and welfare of the Scheduled Castes, the Schedule 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

(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).

- (x) rural development projects.

- (xi) Slum area development.

Explanation.- For the purposes of this item, 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.

- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

5. Budget

The CSR Committee, to be formed from time to time, endeavors to set up a budget for CSR activities. The CSR budget for any specific financial year shall be equal to 2% of the average net profits of the preceding financial years. Average net profits shall be computed following the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The allocation of the overall budget towards specific activities shall be based upon approval of a majority of Board of Directors or CSR Committee members.

The surplus arising from the CSR projects and programs or activities shall not form part of the business profit of the Company. Any funds generated from CSR activities executed under this policy shall be added to the CSR budget.

In case the Company is unable to spend the allocated budget for a specific financial year during that year, the Company shall disclose the reasons for not doing so in the Annual report. Such unutilized funds shall not be added to the budget for CSR activities of future years.

6. Process

BGRS Textiles Private Limited CSR process comprises four stages i.e.



Planning: BGRS Textiles Private Limited shall apply a bottom-up approach for planning CSR activities. Activities shall be planned based on the needs of society. The Board of Director or CSR Committee shall identify and plan relevant projects. The Board of Director or CSR Committee is responsible to recommend projects/programmes/ activities within the scope of paragraph (4) above. The Board of Directors is responsible for the approval of the projects/programmes/ activities that meet the overall CSR objectives of the Company.

Implementation: All CSR activities shall be carried out in project mode with defined objectives, deliverables, and timelines. The Company may choose to execute the activities through specialized agencies and Non-Governmental Organizations or may execute the project on its own with the involvement of employee volunteers.

Monitoring & Evaluation: Effectiveness of programs and projects shall be assessed through monitoring mechanisms involving external as well as internal evaluation. There shall be regular monitoring of CSR activities. Internal audit may be used for assessment of the usage of project funds and evaluation of the effectiveness of implementation.

Documentation & Communication: Communication and feedback is a good basis for measuring effectiveness, and this paves way for new idea generation as well as planning on what next can be done. The Company's engagements shall be disseminated on the website, annual reports, and in other internal and external communications through the media. The Board of Director or CSR Committee shall also do communication and feedback in the form of reports to the Board of Directors.

7. Employee engagement

BGRS Textiles Private Limited encourages its employees to volunteer for CSR activities. Activities by employees shall complement the Company's CSR initiatives.

8. Management Commitment

The Board of Directors and all the employees subscribe to the philosophy of compassionate care and sustainability. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of BGRS Textiles Private Limited CSR policy.

The Corporate Social Responsibility policy conforms to Section 135 and Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.
