

Vishal Fabrics Limited

Corporate Social Responsibility Policy

**Reviewed, Updated and Approved by Board of Directors**  
**in their Meeting held on 20<sup>th</sup> May, 2026**

This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by Vishal Fabrics Limited (the Company) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014 and Companies Act 2013, shall apply to this CSR Policy.

### Company Philosophy for CSR Policy:

Companies Act, 2013 has formally introduced the Corporate Social Responsibility to the dash board of the Indian Companies. Vishal Fabrics Limited is much positive and appreciate the decision taken by the Government of India. Legal framework of CSR is an edge to Corporate Charitable/reformative approach towards the Society to which the Corporate is belonging to. By introducing the separate section for CSR in Companies Act, 2013, the Government has given legal recognition to their community development approach.

The management of the Vishal Fabrics Limited expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it.

### Objective

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Vishal Fabrics Limited will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy. Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. 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 our CSR policy.

### Corporate Social Responsibility Committee:

The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors out of which one Director is an Independent Director:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Brijmohan D. Chiripal	Chairman
2.	Mr. Susanta Kumar Panda	Member
3.	Mr. Ram Krishna Dash	Member
4.	Mrs. Roma Sanghani	Member

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.

### CSR Activities:

Pursuant to Schedule VII of the Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertake under the CSR policy of the Company. The Board of Directors has reviewed the said activities and express its consent to the Committee to pursue the said activities under CSR policy of the Company under section 135 of the Companies Act, 2014, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time to time.

#### Approved CSR Activities:

1. Promoting preventive healthcare and sanitation to the public;
2. Promoting education, including primary, secondary and higher secondary education, as well as special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. Establishment and management of state-of-the-art healthcare infrastructure with high level of excellence.
4. Providing financial and/or other assistance to the Agencies involved in exclusive medical research, public health, nursing etc.
5. Providing financial assistance to deserving people for specialized medical treatment in any medical institution.
6. Activities concerning or promoting:
  - a. General health care including preventive health care,
  - b. Safe motherhood,

- c. Child survival support programs,
  - d. Health / medical camps,
  - e. Better hygiene and sanitation,
  - f. Adequate and potable water supply, etc.
7. Projects, Activities, Programmes relating to conservation of natural resources including renewable energy sources;
  8. Projects, Activities, Programmes relating to water conservation and maintaining quality of soil, air, and water;
  9. Promoting Gender equality and empowerment of women
  10. Community Health- Innovation projects to meet local needs. Reaching out with basic health care to all (bridging the gap).
  11. Sustainable livelihood Projects – Holding hands of all marginalized group to improve livelihood opportunity, thus improving their quality of life.

**12. Education and knowledge enhancement, including, but not limited to:**

- (1) Establishment and management of educational and knowledge enhancement infrastructure.
- (2) Providing financial and/or other assistance to the needy and/or deserving students.
- (3) Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
- (4) Facilitate enhancement of knowledge and innovation in the educational Agencies.
- (5) Contribution to technology incubators located within academic institutions which are approved by the Central Government.

**13. Social care and concern, including, but not limited to:**

- (1) Creating Public awareness
- (2) Protection and upgradation of environment including ensuring ecological balance and related activities.
- (3) Rural development projects
- (4) Others:
  - a. Establishment and management of orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature.

b. Providing assistance to institutes of credibility involved in areas of social care, including:

- Preservation of heritage;
- Animal welfare, social welfare and related matters;
- Orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature.

c. Other humanitarian activities.

14. Contribution for Eradicating extreme hunger and poverty, promotion of gender equality and empowering women and reducing child mortality and improving maternal health.

15. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for Socio-economic development and relief and fund for the welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women.

### Budget for CSR Activity & CSR Expenses:

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.

### Identification of activities/projects:

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the Organisation operates or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

Vishal Fabrics Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities. It will undertake its CSR activities, approved by the CSR Committee, through Chiripal Charitable Trust or such other entity/organization as approved by the CSR Committee.

## Functions of the Committee

1. Formulate and recommend to the Board, various rules and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.

## Implementation process:

After prioritizing the activity the Committee shall finalise the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

## Organisational Responsibility:

At organisational level for implementation of agreed CSR activity, the committee may constitute an implementation team or authorised any of the Department of the Company to organize for the implementation of the CSR activity. The team or respective department shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

## Monitoring by the Board:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

## Compliance and Reporting to Board:

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further work to do in the concern CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

## Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. 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 our CSR policy.

Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

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The Company is contributing to sustainable development by its economic activities combined with the fulfillment of its social responsibilities relating to the education, health, safety and environment aspects.

- Happiness Reserve Foundation
- Chiripal Charitable trust
- Blood Donations Camps every year
- Milestone