

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members,
Pricol Limited [CIN: L34200TZ2011PLC022194]
109, Race Course, Coimbatore - 641018.
Tamil Nadu, INDIA.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records, devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and ensuring that the systems are adequate and operate effectively, are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures, based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

P. ESWARAMOORTHY AND COMPANY

Company Secretaries

P. Eswaramoorthy

Proprietor

Coimbatore
30th May, 2019

FCS No. : 6510

CP No. : 7069

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ANNEXURE "B" TO DIRECTOR'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Through Pricol's long standing commitment to service to the society, we strive to attain leadership in our business through a socially and environmentally responsible way, while taking care of the interests of our stakeholders.

We work with the primary objective of contributing to the sustainable development of the society and creating a greener and cleaner environment around us. Towards achieving these objectives, Pricol has initiated "We Care", a program which executes various social and environmental development activities in and around its operational locations.

The main objective of Pricol's CSR policy is to lay down guidelines for the community centric activities taken up by Pricol for the sustainable development of the society and the environment around it. In alignment with the vision of the Company, Pricol, through its CSR initiatives, will strive to enhance value to the society and the environment through continuous initiatives. Pricol will directly or indirectly take up projects in and around its operational locations in keeping with the laid out guidelines.

Web Link to the CSR Policy:

<http://www.pricol.com/Data/Policy/CSR-Policy.pdf>

2. **CSR Committee has Mrs.Vanitha Mohan, Mr.Vikram Mohan, Mr.G.Soundararajan (upto 15th June 2019) and Mr.K.ilango (from 15th June 2019) as its members.**
3. **Average Net Profit / (Loss) of the Company for last three financial years** ₹ 5,414.87 Lakhs
4. **Prescribed CSR Expenditure ₹ 108.30 Lakhs** (two per cent of the amount as in item 3 above)
5. **Details of CSR spent during the financial year**
 - a) Total amount spent for the financial year ₹ 24.62 Lakhs
 - b) Amount unspent, if any ; ₹ 83.68 Lakhs

ANNEXURE "B" TO DIRECTOR'S REPORT (Contd.,)

c) Manner in which the amount spent during the financial year is detailed below :

in ₹

S. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs (1) Local area or Other (2) Specify the state and district where projects or programs was undertaken	Amount Outlay (budget) project or program wise	Amount Spent on the projects or programs	Cumulative expenditure for 01.04.2014 to 31.03.2019	Amount Spent : Direct or through implementing agency
1	Eye & Medical Camps (Government School & Public)	Health	Coimbatore, Tamilnadu	1,00,000	58,032	6,75,313	ND Foundation
2	Water Purifiers and AMC Charges	Health	Coimbatore & Tirupur, Tamilnadu	—	—	11,17,009	
3	Fire Safety and First Aid Training - to School Students	Education	Coimbatore, Tamilnadu	—	—	1,36,790	
4	Facilities for Government Schools	Education	Tirupur, Tamilnadu	5,00,000	4,37,250	15,53,544	
5	Construction of Maternity ward at Primary Health Centre	Health and Sanitation	Tirupur, Tamilnadu	—	—	20,41,634	
6	Swachh Bharat / Construction of Public Toilet / Dustbin	Environment	Coimbatore, Tamilnadu	—	—	2,00,000	
7	Tree Park Construction / Tree plantations	Environment	Coimbatore, Tamilnadu	—	—	10,36,568	
8	De-silting and repair of check dam / Rain water harvesting	Environment	Coimbatore, Tamilnadu	2,00,000	1,90,000	6,90,000	
9	Contribution to Wildlife SOS	Environment	Delhi	6,00,000	6,00,000	26,30,000	
10	Contribution to Siruthuli	Environment	Coimbatore, Tamilnadu	—	—	18,00,000	
11	Contribution to UYIR Foundation	Safety	Coimbatore, Tamilnadu	10,00,000	10,00,000	10,00,000	
12	Contribution for Corpus (Trauma Care Centre)	Health	Coimbatore, Tamilnadu	—	—	32,00,000	
13	Supply of Medical Equipments To Rapid Action Force	Health	Coimbatore, Tamilnadu	—	—	67,500	
14	Supply of Medical Equipments - To Government Hospital	Health	Pantnagar, Uttarakhand	—	—	2,65,737	
15	Construction of Toilets to Police	Health	Pantnagar, Uttarakhand	2,00,000	1,77,000	1,77,000	
16	Contribution to Sankara Eye Hospital	Health	Coimbatore, Tamilnadu	—	—	5,00,000	
17	Supply of Safety related materials to City Police	Safety	Coimbatore, Tamilnadu	—	—	2,40,250	
18	Supply of materials to Siruthuli	Environment	Coimbatore, Tamilnadu	—	—	1,00,800	
19	Flood Relief Chennai	Health / Environment	Cuddalore, Tamilnadu	—	—	23,07,168	
Total				26,00,000	24,62,282	1,97,39,313	

CSR implementing agency: N D Foundation

Note: During the year, 2018-19, the company contributed ₹ 20 Lakhs to ND foundation, they spent ₹ 22.85 lakhs.

ANNEXURE "B" TO DIRECTORS' REPORT (Contd.,)

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

The company considers social responsibility as an integral part of its business activities and has been engaged in Corporate Social Responsibility (CSR) Activities, even before such CSR expenditure were mandated by the Companies Act, 2013. Over the years, from 2014 to 2019, the CSR expenditure to be made u/s 135 is ₹ 179.77 lakhs, actual amount spent by the Company is ₹ 197.39 lakhs, which is more than the mandatory limit. During the current year, the company proposes to identify some long-term projects that will benefit the environment, water management, upliftment of children, safety and medical care of people. The company & CSR Committee is in search of various long-term projects, to suit our requirements and to comply with Schedule VII of the Companies Act, 2013. This has resulted in shortfall of required CSR spend during this financial year.

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

Vikram Mohan
Managing Director
(DIN : 00089968)

Vanitha Mohan
Chairman - CSR Committee
(DIN : 00002168)

Coimbatore
21st May, 2019

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ANNEXURE "C" TO DIRECTORS' REPORT

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Statement pursuant to Section 134(3)(m) of The Companies Act, 2013, read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY :

- i) **the steps taken or impact on conservation of energy;**

The following steps were taken on the energy conservation :

- a) Industrial UPS 460KVA installed to reduce fuel usage and to optimise EB utilization at Plant-1
- b) LED lights, High Volume Low Speed (HVLS) fans, Aluminum Air lines implemented at Sricity Plant.
- c) Air compressors are connected through Variable Frequency Drives (VFD).
- d) Streetlights are provided with Light dependent resistors (LDR).
- e) Real time timers provided for Utilities like A/c, blowers etc. to save power.
- f) Water saving Taps are installed to save water.
- g) Energy saver installed for Chillers.
- f) Using of 12.5 % of the natural light for the new shop floors.

- ii) **the steps taken by the company for utilising alternate sources of energy;**

Present installed capacity of Roof Top Solar across Pricol plants - 1.52 MW and 1.65 MW is planned for installation during 2019-20, only an OPEX model. Solar power will contribute to 16% of power requirement, when this capacity is fully operational.

- iii) **the capital investment on energy conservation equipment's ;**

- a) On line UPS - 460 KVA - ₹ 75 Lakhs
- b) LED lights, HVLS, Air line, VFD for Sricity plant - ₹ 60 Lakhs
- c) Energy saving devices - ₹ 5 Lakhs