

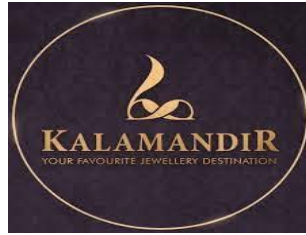
KALAMANDIR JEWELLERS LIMITED

Corporate Social Responsibility (CSR) Policy



“Bahujana hitaya, bahujana sukhaya” - “For the benefit of many, for the happiness of many...”

--- Rigveda



PREAMBLE:

A socially responsible organization cannot, and does not, limit itself to merely increasing its own profits. Neither does it treat corporate social responsibility as a burden to be borne, but instead, believes it to be one of the fundamental duties of an organization towards society. CSR is a way of conducting business, by which a corporate entity visibly contributes to the social good.

At Kalamandir Jewellers Limited ("The Company"), we are constantly aware of our role in society, as that of a mentor and a builder of the lives of the children of our society, and therefore, its future. Hence, as a corporate entity, we at the Company strive at every stage to integrate the larger economic, environmental and social objectives with our core operations and growth.

This policy is to be read in alignment with the requirements of Section 135 of the Companies Act, 2013 (the 'Act') and the corresponding rules made thereunder, as amended from time to time ('CSR Rules'), and Schedule VII of the Act.

1. OBJECTIVES:

The objective of this Policy is: Establish a guideline for compliance with the provisions of the Act and Rules related to CSR, Implement CSR initiatives in both letter and spirit through appropriate procedures and reporting, and initiate projects that benefit the community at large.

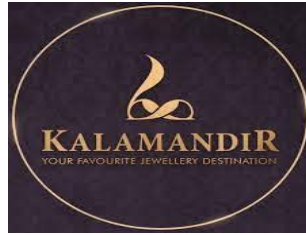
2. CONSTITUTION OF CSR COMMITTEE:

CSR Committee will be a Board level committee known as Corporate Social Responsibility Committee. The constitution of CSR Committee is in accordance with the applicable provisions of the Act and comprises of three directors, out of which one director is an independent director.

The Committee will meet as and when required to discuss and review CSR activities and Policy. A quorum of two members is required to be present for the proceedings to take place. Such other meetings of the Committee can be convened as and when deemed appropriate.

Role of the CSR Committee includes:

- i. To formulate and recommend to the Board of Directors the CSR Policy.
- ii. To monitor and review the CSR Policy and recommend modifications from time to time.
- iii. To specify the thrust areas in which CSR Activities may be directed within the various CSR Activities stipulated in the Applicable Law.



- iv. To recommend to the Board of Directors the local and other areas in which CSR Activities may be undertaken.
- v. To recommend to the Board the manner in which CSR Activities may be undertaken.
- vi. To formulate and recommend to the Board of Directors a CSR Budget.
- vii. To Provide guiding principles for selection, implementation and monitoring of projects
- viii. To Provide approach and direction given by the Board towards CSR projects / spend
- ix. To Formulate Annual Action Plan based on CSR objectives and spend plan
- x. To identify suitable executives who can coordinate with external agencies that can implement the projects and programmes of the Company for undertaking its CSR Activities.
- xi. To suggest ways and means for developing in house resources for directly undertaking CSR Activities.
- xii. To provide the mode of implementation either directly or through third parties including through collaborative projects
- xiii. To study possibilities of undertaking CSR Activities on a consortium model in association with other corporate houses for bringing long term benefits to the society while undertaking CSR Activities.
- xiv. To install a monitoring mechanism to ensure that the funds allocated by the Company for undertaking CSR Activities are applied in a manner that achieves desired results for the larger benefits of the society.

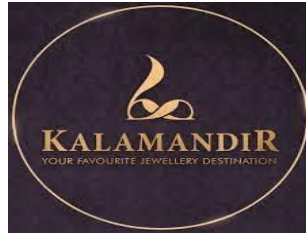
3. ANNUAL SPENDS / ALLOCATION OF FUNDS

The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that -

(i) The excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of CSR Rules.

(ii) The Board of the company shall pass a resolution to that effect.



The Company may build CSR capacities of its personnel and/or those of its implementing agencies through Institutions with established track records of at least three financial years but such administrative expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

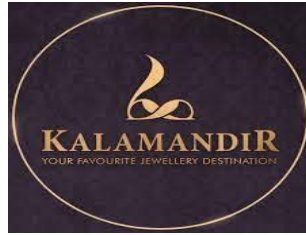
4. CSR ACTIVITIES / PROGRAMMES / PROJECTS:

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment towards the society and environment by contributing one or more areas. The CSR Committee shall consider and approve the CSR activities /programmes / projects to be undertaken during the year in line with the guidelines given below:

- a. To ensure that the CSR activity / programmes / project is not discriminatory in nature;
- b. The CSR activities be implemented within India and preferably in the areas where the Company has its presence;
- c. Programmes / projects that integrate business models with social and environmental priorities and process in order to create shared value shall be encouraged;
- d. CSR activity/ programme /project should not exclusively for the benefit of employees of the Company or their family members or those that are conducted /undertaken exclusively in pursuance to the normal course of business of the Company;

5. CSR ACTIVITIES WILL INCLUDE THE FOLLOWING ACTIVITIES RELATING TO:

- i. Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation including contribution to the Swachhh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- ii. Promotion of education, including special education and employment enhancing vocational 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 centers 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 set-up by the Central Government for rejuvenation of river Ganga.

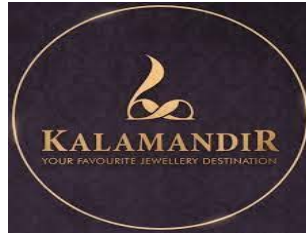


- v. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows 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 Olympic sports.
- viii. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government.
- x. Rural development projects.
- xi. Slum area development.
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.
- xiii. Such other matters as may be prescribed by the Central Government and approved by the Board of Directors/ CSR Committee, as the case may be.

6. ACTIVITIES NOT TO BE CONSIDERED AS CSR:

The Company will abstain from carrying out the following activities under CSR that are specifically excluded under rule 2(d) of Companies (Corporate Social Responsibility Policy) Rules, 2014, which are as follows:

- i. Activities undertaken in pursuance of normal course of business of the company: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that
 - a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;



- iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- vii. Such other activities as may be prohibited by Central Government.

7. IMPLEMENTATION:

The Company shall undertake CSR Projects which are closely linked with the principles of sustainable development and shared value, with involvement of local institutions and the community at large. The Management Team would assist in implementation and monitoring of the CSR projects / initiatives.

The Board shall ensure that the CSR activities are undertaken by the company itself or through;

- a. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- b. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c. any entity established under an Act of Parliament or a State legislature; or
- d. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities. For track record of at least three years Board may consider Income & Expenditure and Balance sheet for last three years.

8. REPORTING:

The Company will report, in the prescribed format, the details of CSR initiatives and activities of the Company in the Directors' Report (forms part of the annual report of the Company) which will be uploaded on the website of the Company, as required under the Regulations.

9. OBLIGATION UNDER CSR ACTIVITIES:



- a. The Company is mandatorily required to spend at least 2% of the average Net profit of three immediately preceding financial years on specified CSR activities.
- b. The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan.
- c. The CSR Committee shall ensure that the CSR Policy is displayed on the Company's website.
- d. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- e. The Board of Directors of the company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company and disclose contents of such policy in its report and the same shall be displayed on the company's website.

10. MONITORING, EVALUATION AND REPORTING:

Regular update on the CSR initiatives undertaken and/ or to be undertaken shall be given to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the Project.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

11. AMENDMENTS TO THE POLICY

The CSR Plan may be revised/modified/amended by the CSR Committee at such intervals at its discretion or for aligning the policy in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time. This policy shall remain in force unless modified by the Corporate Social Responsibility (CSR) Committee.
