



CORPORATE SOCIAL RESPONSIBILITY POLICY

(Framed on 01st April, 2023)

INTRODUCTION

Khazanchi Jewellers Limited (“Company”) has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society. The Company has taken up various Corporate Social Responsibility (“CSR”) initiatives and enhanced value in the society. With the advent of the Companies Act, 2013 (“Act”), constitution of a Corporate Social Responsibility Committee (“CSR Committee”) of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Further, the Board of Directors shall ensure that, the Company spends, in every financial year, at least two percent of the average net profits of the Company made during 3 immediately preceding financial years, in pursuance of CSR Policy. Therefore, the Company needs to formulate a CSR Policy which covers its philosophy and guides its efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

SCOPE

In furtherance of its CSR objects, the following are covered under this Policy:

- (i) CSR activities implemented by the Company on its own,
- (ii) CSR activities implemented by the Company through own trust/society or group company trust/society;
- (iii) CSR activities of the Company through an external trust/society, or in such other manner as permissible under the provisions Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Rules”).

CSR COMMITTEE

“Corporate Social Responsibility Committee” (“CSR Committee”) is constituted in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The CSR Committee will consist of 3 or more directors or such other number of directors as the Board of Directors of the Company may determine from time to time. The CSR Committee may meet at such intervals, in such manner and may carry out matters in such manner and function generally as per the Companies Act, 2013.

CSR ACTIVITIES

The following activities and those activities incidental and ancillary or in furtherance of the following activities shall be the activities to be undertaken by the Company under this policy.

- a) Eradicating extreme hunger and poverty;

- b) Promotion of education;
- c) Promoting gender equality and empowering women;
- d) Reducing child mortality and improving maternal health;
- e) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- f) ensuring environmental sustainability;
- g) employment enhancing vocational skills;
- h) social business projects;
- i) 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 funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- j) such other matters as may be prescribed under the provisions of Act and/or Rules.

EXECUTION OF CSR ACTIVITIES

The CSR activities coming within the purview of the list of activities as indicated in para 3 above can be executed based on the recommendations of the CSR Committee and the CSR Committee while recommending the activities shall ensure that, the proposed activity is covered under CSR Policy. Further CSR Committee may recommend the activities with such conditions or modifications as it may deem fit in relation to each of the proposed activities.

MEMBER OF THE COMMITTEE

| Sr.No. | Name | Designation |
|---------------|------------------------|---------------------------|
| 1 | Tarachand Mehta | Chairman of the Committee |
| 2 | Goutham | Member |
| 3 | Bijal Yogesh Durgavale | Member |
| 4 | Narresh | Member |

ROLE OF THE CSR COMMITTEE

- (i) Formulate and recommend the CSR Policy and any amendments therein to the Board of Directors of the Company

- (ii) Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities.
- (iii) Undertake all necessary steps to implement the CSR activities.
- (iv) Authorise and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors
- (v) Review and monitor the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects the CSR activities in such manner as it deems fit.
- (vi) Review and recommend the CSR report to be included in the board's report.
- (vii) To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.
- (viii) To carry such other functions as may be mandated by applicable laws.

CSR EXPENDITURE BUDGET

1. The Company will endeavor to spend at least 2% of the average net profits (Profit Before Tax as defined under Section 198 of the Companies Act, 2013) made during the immediate three preceding financial years (CSR Budget).
2. Any unspent CSR budget will be kept in a CSR Fund (Corpus) created by the company. This Fund would also include any income arising there from and any surplus arising out of CSR activities. Unspent CSR amounts, if any, in respect of applicable ongoing projects approved by the Board of Directors shall be transferred to a separate bank account as defined in the Act and spent as per the provisions of the Act within specified timelines. Any unspent amount not pertaining to an ongoing project shall be transferred to a fund of the Government as specified under the act within specified prescribed timelines.
3. Any surplus arising out of CSR projects shall not form part of business profits of the Company.

SURPLUS OF CSR PROJECTS:

The surplus if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of the Company.

MONITORING OF CSR ACTIVITIES

The CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The CSR committee shall ensure that;

1. Company undertakes the CSR activities as provided in the CSR policy
2. The projects/ programs are implemented as per the program approved by the board
3. The budget allocated for each of the project is utilized for the projects as per the approved plans.
4. The objective of the project/program is achieved as per the plans the Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.

AMENDMENT OF POLICY

The CSR policy of the company may be amended at any time by the board of the company on the Recommendation of the CSR committee.

REPORTING

On approval of The CSR policy or any amendments thereof, the contents of the policy shall be included in the Boards' report. At the end of each financial year, the CSR committee shall prepare a report of the CSR program in the prescribed form relating to the financial year and shall include in the Board's report. Reasons for underspending if any shall be given in such report and approved by the Board of Directors. Forms as required to be filed in respect of CSR shall be filed with Ministry of Corporate Affairs.