

'Sambhav – Gitanajali Gems CSR Policy'.

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INTRODUCTION

- This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the 'Sambhav –Gitanjali Gems CSR Policy'.
- This policy shall apply to all CSR initiatives and activities taken up at Gitanjali Gems Ltd, for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.
- The CSR Policy outlines the framework within which CSR activities would be undertaken. The Policy would be reviewed after every three years or earlier, as may be necessary based on experience and statutory requirements.

CSR VISION STATEMENT & OBJECTIVE

In alignment with vision, the company through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate. Gitanjali group believes in enhancing standards in key areas like employment and empowerment of the PWD's, education for the underprivileged, health, training.

OBJECTIVES

- To catalyze and accelerate social progress and make a difference to the society at large
- To work hand-in-hand with those striving for community upliftment
- To make a qualitative difference to the lives of the underprivileged in health, education and other sectors
- To assist in the empowerment of people with disabilities and help them integrate into society
- Contribution to national and local efforts for relief / rehabilitation in times of natural disasters on a needs basis.
- Ongoing promotion of healthy and safe workplaces and well being of workers.

APPLICABILITY

Applicable to all companies of Gitanjali Group

IMPLEMENTATION

Overall, the CSR Committee will be responsible for overseeing the planning, coordination and implementation of CSR activities including compilation of information and preparation of annual reports etc. While identifying the CSR initiative the following considerations will be taken into account:

- The assistance will be project based with clear outcomes rather than in the form of donation, with a focus on creating sustainable and replicable models.
- While implementing the identified projects, time frames and milestones will be predefined.
- The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- A detailed action plan will be developed through a consultative process outlining short, medium and long term goals, objectives and activities with clear outputs and deliverables.

- The Company will not use a one-size-fits- all approach. We will Engage in-house facility for co-coordinating roll out of CSR activities:
- Programmes which involve considerable financial commitment and are undertaken on a timeframe of 2-5 years, will be considered as 'flagship programmes' and accorded enhanced significance.
- The Projects will be monitored and measured every quarter .Wherever necessary, midcourse corrections will be made.
- Maximize outcomes through strategic partnerships: Necessary partnerships will be forged with a range of stakeholders at the local, state and national level, including Non- Governmental Organizations (NGOs) etc.
- Where needed, the services of individual experts/ consultants will also be solicited.

While identifying long term programmes, all efforts must be made to the extent possible to define the following:

- Title of the project
- Executive summary of proposal
- Objective & Targeted group(s) of the project/proposal
- Baseline survey – It would give the basis on which the outcome of the programme would be measured.
- Implementation schedules- Timelines for milestones of the programme will need to be prescribed
- Geographical area of execution of project & reason for selecting that area, if applicable
- Budget Details (detailed cost break-up (head-wise).
- Execution/Implementation Plan (with specific time-frame)
- Monitoring plan(with specific time-frame)
- Human Resources involved (paid staff, volunteers etc.)
- Outcome / benefits of the project
- Any other documents requested.
- Responsibilities and authorities
- Executing agency/Partners:

Criterion for identifying Executing agency:

- The NGO / Agency has a permanent office / address in India;
- The NGO is a registered society under Societies' Registration Act;
- Possesses a valid Income-tax Exemption Certificate;
- The antecedents of the NGO / Agency are verifiable/subject to confirmation

The company shall duly enter into an agreement with the executing agency.

The approved activities under the CSR initiatives, as decided by the Company, shall be executed through the following:

- Community based organizations whether formal or informal
- Elected local bodies such as Panchayats
- Voluntary Agencies (NGOs)
- Institutes/ Academic Organizations
- Trusts, Missions
- Self-help Groups
- Government, Semi-Government and autonomous Organizations
- Standing Conference of Public Enterprises (SCOPE)
- Mahila Mandals/ Samitis

- Contracted agencies for civil works
- Professional Consultancy Organizations

IDENTIFICATION OF THRUST AREAS AND STRATEGIC INITIATIVES

The approach of Company would be oriented to identify and formulate projects in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. In addition to being an engaged corporate citizen involved in the identification, planning, designing and monitoring of CSR initiatives, the Company will also provide grants to specialist organizations to implement approved activities.

For purposes of focusing on its CSR efforts in a continued and effective manner, the following thrust areas have been identified by the Company:

- Skill Development / Empowerment of persons with disability through training and employment
 - Develop contacts with NGO-VRC, ADAPT, NASEOH...
 - Modification in infrastructure to make disabled friendly
 - Set up of training center and Designing of training manual / course curriculum
 - Job matrix for PwD Development
- Healthcare/ Medical facility
- Skill development of workforce at the corporate setup, through various training and development programmes.
 - Strengthen health systems to expand coverage of health services with a focus on women, Children and disabled persons.
 - Provide facilities (such as mobile clinics) to enhance access to health care services directly or in partnership with other PSUs, corporate, government schemes etc.
 - Organize health check up camps, awareness camps, eye camps etc to raise awareness and provide outreach services for locally relevant health issues such as TB, HIV/AIDS, leprosy, cataract etc.
 - Design and implement projects that address on priority the local needs such as drug abuse, alcoholism etc.
- Education/Literacy Enhancement
 - Education, including formal and informal education and vocational training that contribute towards sustained income generation and self sufficiency
 - Develop, support and maintain educational institutions, vocational training institutes, centers for non-formal education etc. This will include providing grants/ assistance to schools in rural/urban slum areas for necessary infrastructure such as building, electricity, furniture, computers etc.
 - Provide scholarships or financial support to children from the affected communities who have demonstrated extra-ordinary talent in academics or other skills and belong to socially and economically marginalized communities.
 - Supply study materials (such as books, stationery etc.) to children from the poor, and underprivileged sections.
- Community Development
- Disaster Management including preparedness, capacity building as well as emergency response leveraging core competency
 - Empower families of staff and encourage their participation in CSR initiatives; organize sensitization programmes, lectures, workshops etc to ensure a healthy work environment with special focus on making workplaces safer for women.
 - Promote healthy workplaces and maintain commitment to quality, health and safety in every aspect of business.
 - Ensure environmental consideration and strategic environment conservation initiatives as an integral aspect of business processes.
 - Promote equality of opportunity and diversity of workforce throughout business operations.

- Others thrust areas as may be identified from time to time.

PARTNERSHIPS

The Company can engage itself with well established and recognized programmes and national platforms such as the CII, FICCI, and ASSOCHAM to name a few, given their commitment to inclusive growth.

Collaborative partnerships can be formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This will help in widening the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

Guidelines and criteria for NGO selection:

The NGO should be either:

- An Organization registered under the Societies Registration Act of 1860; or
- A Charitable companies registered under the Charitable and Religion Act 1920; or
- A Public Trusts registered under the Indian Trust Act 1882; or
- A Licensed company under Section 25 of the Companies Act 1956; or
- A Cooperatives professional bodies such as IPA, IMA, The Institution of Engineers etc.; or
- A registered institutions like schools, colleges, universities, hospitals etc.; or

The NGO should, preferably, have prior experience in the proposed area of work. The NGO should have an established track record in any of the related development fields such as social welfare, environment conservation, sanitation, education/ non-formal education, training, women empowerment, community development, health, child labour, slum development, disabilities etc. and any contribution to these NGOs should preferably qualify for tax exemptions under Income tax Act 1961.

The Company will not engage with any NGO which:

- Has pending legal disputes and or enquiries in connection with offences like cheating,
- Misappropriation of funds, exploitation of beneficiaries, etc.
- Is blacklisted by any government agency like CAPART, CSWB, Department of Women and Child Development, Ministry of Social Justice and Empowerment.

ALLOCATION OF FUNDS

- For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate funds as its Annual CSR Budget.
- A specific budget will be allocated for CSR activities. This budget is project driven.
- Expenditure for extending immediate relief in cases of natural calamities can be approved by the Managing Director of the Company.
- Any unspent/unutilised CSR allocation of a particular year, will be carried forward to the following year, i.e., the CSR budget will be 'no lapsable' in nature.
- The CSR Committee will be responsible for co-coordinating necessary audits and other compliances of all the CSR activities through the engagement of experts.
- Fund disbursement to implementing organizations will be done in installments.

The expenditure modality will be as follows:

- a) Advance payment will be made to implementing organizations (e.g. NGOs / Specialist Agencies) for initiating project implementation.
- b) Subsequent installments will be transferred as per agreed terms

ORGANISATIONAL MECHANISM AND RESPONSIBILITIES

We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. The Company has a dedicated CSR Cell. The Chairman & Managing Director of the Company takes on the role of the mentor, while the onus for the successful and time bound implementation of the projects is on the CSR team.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The CSR activities will be coordinated by CSR Cell at Corporate Office which will function with active support from other functional units. For dealing with the CSR projects, a CSR Committee at Corporate Office is constituted consisting of:

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|---------------------------------|----------|--------------------|
| 1. Ms. Nazura Ajaney | - | Chairperson |
| 2. Mr. M.S. Sundararajan | - | Member |
| 3. Mr. S. Krishnan | - | Member |

The Board of Directors of the Company would have the power to make any changes in the constitution of the CSR Committee.

Functions of CSR Committee:

The CSR Committee shall work within the framework of terms of reference given to it by the Board of Directors. The functions of CSR Committee shall be as follows:

- To prepare Annual plans;
- Follow up on financial and programme targets;
- Approve CSR projects;
- Facilitate NGO selection;
- Co-ordinate periodic monitoring and evaluation visits;
- Provide feedback to the implementing organizations
- Report to the Board on progress on a Yearly basis
- Ensure compliance to the recommendations of the CSR Committee;

IMPACT ASSESSMENT/EVALUATION

- The first installment of amount sanctioned for a CSR project, will be released on sanction. All further releases to the Implementing agency would be based on satisfactory utilization and satisfactory performance report.
- The impact assessment/evaluation of major projects would be carried out. The CSR Cell will monitor all the projects periodically. All Efforts will be made to report tangible and measurable results including number of beneficiaries and impact on their lives. Human interest stories will be a part of the reporting to highlight the qualitative impact of the CSR initiatives.

- In addition, audits of the implementation process may be undertaken, facilitated by the CSR Cell.
- Appropriate documentation of the CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a yearly basis. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

REFLECTION OF THE CSR ACTIVITIES

It is imperative to carry out the appraisal, documentation, dissemination and monitoring of CSR activity effectively in order to create the desired impact.

- The CSR activities would be reflected in the Annual Report.
- All the major CSR projects would be documented and hosted its website and media also.

GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference can be made to Corporate CSR Cell. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Government, from time to time.

The Company reserves the right to modify, cancel, add, or amend any of these Rules.