

## **CSR Policy – Gitanjali Gems Limited**

### **Preamble:**

Our Long term CSR goal is to actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation through sustainable measures. We operate with the mission of ensuring socio-economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves.

### **Constitution of Corporate Social Responsibility Committee:**

The board of directors (the "Board") have formed a Corporate Social Responsibility Committee (the "CSR Committee") in line with section 135 of the Companies Act, 2013 (the "Act"). The CSR Committee has been formed with a view to carry out the following functions:

- to formulate and recommend to the Board, a CSR policy indicating activities to be undertaken as specified in Schedule VII of the Act;
- to recommend the amount of expenditure to be incurred on the activities referred to in subparagraph (i) above; and
- to monitor the CSR activities and CSR policy of the Company from time to time.

### **CSR budget and CSR spends:**

The total budget for the CSR projects will be decided by the CSR Committee in accordance with applicable provisions of the Act and the CSR Rules. Beginning with the financial year 2014-15 the Company has under taken to spend on its CSR activities every year, 2% of its average Net Profits during every block of three years. 'Net Profit' shall be calculated in the manner prescribed by the Act and the CSR Rules. Any 'Income' or 'Surplus' that may arise from its CSR activities would also be included in the CSR corpus and will not form part of business profits of the Company. The CSR activities of the Company shall not include any benefits which are exclusively for the employees of the Company or their family members.

### **CSR Objectives:**

As a responsible corporate citizen, the Company is committed to sustainable development and inclusive growth and has been focusing on issues relating to Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects. The Company has also been focusing on promoting gender equality and empowering women over the past several years.

Whilst the Company will continue to support activities as per Schedule VII of the Act listed below, the Company will make focused efforts on its identified key areas of focus for CSR, enlisted herein below:

1. Promoting education and supporting projects related to education including special education among children and women including:

- Non-formal education programs.
  - Supporting schools with infrastructure like benches, toilets, potable water, fans etc.
  - Supporting other educational institutions.
  - Improving educational facilities in general.
  - Supporting children for higher education.
2. Promoting and supporting projects related to employment enhancing vocation skills among children, women, elderly, and differently abled including:
- Livelihood enhancement projects and programs with special focus on skill enhancement related to gems and jewellery industry e.g. processing of roughs, cutting and polishing of diamonds, manufacturing of jewellery etc.
  - Supporting projects with above said objects with proper infrastructure facilities like benches, toilets, potable water, fans etc.
  - Supporting other institutions imparting employment enhancing vocation skills.
3. Promoting gender equality and empowering women **including:**
- Adult literacy for women.
  - Promoting and providing credit support to women's self-help and joint liability groups.
  - Training in vocations pursued by women.
  - Setting up homes for women & orphans;
  - Setting up old-age homes & other facilities for senior citizens
  - Setting up hostels for working and student women, day care centers for kids of working women
  - Supporting other institutions operating in the same space with common objects.
4. Incidental Activities.
- Employing people and incurring other costs to carry out aforesaid activities.
  - Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.
5. Such other activities as the Board may consider to be appropriate.

In terms of the CSR rules issued by the MCA the Company will be also be focusing on undertaking the project /programs /activities listed below, as specified in Schedule VII to the Act excluding activities undertaken in pursuance of normal course of business of a Company:

1. Eradicating hunger, poverty and mal-nutrition, promoting preventive health care and sanitation including contribution to the "Swachh Bharat Kosh" set-up by the Central Government for promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects;

3. 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;
4. Ensuring environmental sustainability, ecological balance, and 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" setup by the Central Government for rejuvenation of river Ganga;
5. 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 arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects.

#### **CSR Activities/ Projects/Programs:**

At the beginning of each financial year, the CSR Committee of the Board will decide about the CSR Projects/ Activities/Programs which the Company proposes to undertake during the financial year, with due approval of the Board. The Company may take up other activities/Projects/Programs as it may consider appropriate."

#### **Implementation Strategy:**

The Company will engage into the defined CSR Goals and objectives through both direct engagement and partnerships. The CSR initiatives will either be conceptualized and executed Directly by the Company through team of professionals or in addition to direct engagement, the Company can partner with other organizations who have the relevant expertise and experience to undertake various programs in the identified core focus areas of operation, to improve the outcomes.

#### **Monitoring of CSR Projects:**

The CSR Team will provide regular progress report to the CSR Committee of the Board. This report would indicate:

1. Achievements and developments since last progress report.

2. Year-to-date achievements towards the goals defined, plans to overcome shortfalls if any and support required from the CSR Committee/Board for effective achievement of the defined CSR goals.
3. Actual year-to-date spends compared to the CSR budget.

The Board may seek a short progress report from the CSR Committee on a periodic basis.

**Amendments to the CSR Policy:**

The Board of Directors of the Company shall have the powers to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee to confirm to the revision/amendment, if any, to be made to the CSR Rules by the MCA, under the Act.”