

# **ANMOL INDUSTRIES LIMITED**



---

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

---

### **ANMOL INDUSTRIES LIMITED**

Registered Office: 229, A.J.C. Bose Road,  
3rd Floor, Crescent Tower, Kolkata -700020, West Bengal  
Phone: 09830122111, 033-22801277/78  
Email: [cs@anmolindustries.com](mailto:cs@anmolindustries.com)  
Website: [www.anmolindustries.com](http://www.anmolindustries.com)

### **Documentation Validation Note**

Anmol Industries Limited (“AIL” or the “Company”), a limited company incorporated under the Companies Act, 1956 (now within the meaning of Companies Act, 2013) and having its registered office at 229, A. J. C Bose Road, Crescent Tower, 3<sup>rd</sup> Floor, Kolkata 700020 had formulated and adopted the Corporate Social Responsibility Policy Version 1.0 in terms of section 135 of the Companies Act, 2013 (Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).

Section 135 of the Act, requires the Company to constitute a Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding 3 financial years towards CSR activities as set out in Schedule VII to the Act and confirm compliance thereof in the Annual Report. Any unspent/unutilized CSR allocation of a particular year, was required to be carried forward to the next year, i.e., the CSR budget will be non-lapsable in nature.

Accordingly, on the recommendation of the CSR Committee, this policy was considered and approved by the Board of Directors of the Company at its meeting held on 20.06.2015.

Section 135 of the Act and the CSR Rules have been further amended with effect from 22<sup>nd</sup> January, 2021 and in terms of the amended provisions, the Company is required to review and update the CSR Policy. Therefore, the Board, after further review, has adopted Version 3 of this Policy, vide its approval dated [\*].

<b>Title</b>	<b>Particulars</b>
Reviewing Authority	CSR Committee of Directors
Approving Authority	Board of Directors of the Company
Document Status	Approved by the Board on 20.06.2015
2 <sup>nd</sup> Reviewed V2	24.02.2018
3 <sup>rd</sup> Reviewed V3	31.08.2022
Effective Date of this changed version	01.04.2022
Review Cycle	Annually or as recommended by CSR Committee

## Contents

PREAMBLE.....	4
I. INTERPRETATION .....	4
II. GUIDING PRINCIPLES.....	5
CSR VISION .....	5
CSR MISSION .....	5
III. APPROACH TOWARDS CSR .....	6
GENERAL BUSINESS POLICIES: .....	6
CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE .....	6
CSR EXPENDITURE .....	7
CSR IMPLEMENTATION.....	8
CSR PROJECTS, PROGRAMS & ACTIVITIES .....	9
EXCLUSIONS .....	10
CAPACITY BUILDING.....	11
MONITORING & REVIEW MECHANISM .....	11
TREATMENT OF UNSPENT AMOUNTS .....	12
IMPACT ASSESSMENT .....	12
DISSEMINATION OF INFORMATION.....	12
AMENDMENTS .....	13
CONCLUSION .....	13

## **PREAMBLE**

Corporate Social Responsibility (CSR) at Anmol Industries Limited is based on the concept that corporate success and social welfare are interdependent. For the society to thrive businesses must create opportunities for philanthropy and sustainability. The Company too believes in making a positive difference to the society.

## **I. INTERPRETATION**

For the purposes of this Policy, references to the following shall be construed, as per the Companies Act, 2013 and the Companies (CSR Policy), Rules 2014 as amended from time to time, as follows:

1. **“Administrative Overhead”** means the expenses incurred by the company for ‘general management and administration’ of CSR functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.
2. **“Annual Action Plan”** means a plan framed in terms of this Policy;
3. **“Corporate Social Responsibility” or “CSR”** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act and in accordance with the provisions contained in the Rules made thereunder, but shall not include the following, namely-
  - i. activities undertaken in pursuance of normal course of business of the Company;
  - 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;
  - 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;
4. **“CSR Committee”** shall mean a Committee of the Board referred to in Section-135 of the Act;
5. **“CSR Policy”** shall mean this Policy;
6. **“CSR Unspent Account”** shall mean an account opened by the Company with a scheduled commercial bank in terms of sub-section (5) of section 135 of the Act;

7. **“CSR Projects”** shall mean projects or programs mentioned in Schedule VII of the Act, as amended from time to time;
8. **“Net Profit”** means the net profit before tax of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act including amendments thereof, if any, but shall not include the following, namely :-
  - a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
  - b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.
9. **“Ongoing Project”** means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

## **II. GUIDING PRINCIPLES**

CSR at AIL is our sense of responsibility towards the community and environment in which it operates. The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value in its stakeholders lives.

### **CSR VISION**

- a) Develop meaningful and effective strategies for engaging with all the stakeholders.
- b) Consult with local communities to identify effective and culturally appropriate development goals.
- c) Partner with credible organizations like trusts, foundations etc. including non-governmental organizations.
- d) Take necessary measures for the promotion of healthcare including preventive health care, sanitation and making available safe drinking water for general well being of the people.
- e) To increase the literacy level of the children, preferably, in and around the premises of the Company and its factories.

### **CSR MISSION**

The CSR Committee's Mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences

of the CSR activities. Within the above mission, the CSR Committee will choose Priority Projects from time to time.

### **III. APPROACH TOWARDS CSR**

#### **GENERAL BUSINESS POLICIES:**

1. The Company realises that one of the most important parameters for a socially responsible corporate citizen is to carry out its business in accordance with the principles of sustainability, balance and equity. The Company will always strive to align its business interests with those of the society in general, ecology and environment. The Company further encourages any stakeholder or any member of the public to make thoughtful suggestions, addressed to Chairperson of the CSR Committee, for sustainable business practices.
2. The Company will encourage voluntary efforts of its directors and employees to CSR Projects. The Company also encourages its directors and employees to recommend to the CSR Committee meaningful projects in accordance with the Guiding Principles that may be taken up by the Company, under the supervision of the CSR Committee.
3. The Company shall strive to enhance corporate value while achieving a stable and long-term growth for the benefit of stakeholders.
4. The Company respects and honors the human rights of people involved in its business and, in particular, does not use or tolerate any form of forced or child labour.
5. As far as possible, the Company shall strive to create self-sustainability in its CSR efforts, that is to say, over a long run, a CSR Project should be able to generate sufficient resources, whether by way of profits or by way of a regular flow of contributions, so that it does not have to depend on the Company's contribution on a regular basis.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Keeping in lines with Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee;

a) **Composition:**

The Corporate Social Responsibility Committee shall consist of three or more Directors out of which at least one shall be an Independent Director. The Board will constitute the CSR Committee.

b) **Meetings:**

The CSR Committee shall meet as and when deemed necessary but at least once in every year.

c) **Quorum:**

Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.

**d) Role of the Committee:**

The CSR Committee shall:

- i. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- ii. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following;
  - a) The list of CSR projects or programs that are approved to be undertaken;
  - b) The manner of execution of such projects and programs;
  - c) The modalities of utilization of funds and implementation schedules for the projects or programs;
  - d) Monitoring and reporting mechanism for the projects or programs; and
  - e) Details of needs and impact assessment, if any, for the projects undertaken by the company.
- iii. Recommend the amount of expenditure to be incurred on the CSR activities as per the Policy;
- iv. Monitor the CSR Policy of AIL from time to time.
- v. Monitor and recommend the expenditures made by the Company towards the CSR activities.
- vi. Review and ratify the progress of CSR initiatives or activities undertaken by the Company.
- vii. Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and certificate submitted by the Chief Financial Officer.
- viii. Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy of the Company.

## **CSR EXPENDITURE**

1. For achieving its CSR objectives the Annual CSR Budget of the Company would include the following:
  - a) 2% of the average Net Profit made by the Company during immediately preceding three Financial Years. The Net Profit is to be calculated as per the provision of the section 198 of the Act. Also, the Net profit so calculated shall not include the following, namely;
    - i) Any profit arising from any overseas branch(es) of the company, whether operated as separate company or otherwise; and
    - ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.

- b) Any surplus arising and/or additional revenue generated out of CSR activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.
2. Preference shall be given to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.
3. Where the 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 –
  - a. 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 this rule.
  - b. the Board of the company shall pass a resolution to that effect.
4. If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
5. Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
6. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by-
  - a. a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or
  - b. beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or a public authority:

## **CSR IMPLEMENTATION**

1. The Implementation of CSR projects may be undertaken through the following methods;
  - a) by the Company itself;
  - b) through a Section 8 company, registered public trust, registered society, registered under section 12A and 80G of the Income Tax Act, 1961, established by the company either singly or along with other company.;
  - c) through a Section 8 company, registered public trust, or registered society, established by the Central Government or State Government.;
  - d) through a Section 8 company, registered public trust or registered society, established by public agencies and having an established track record of at least three years in undertaking similar activities; or
  - e) through any entity established under an act of Parliament or a State Legislature.
2. The Board of Company may decide to undertake its CSR activities, through a registered trust or a registered society or a Section 8 company established by the Company or its holding or subsidiary or associate company under section 8 of the Act or otherwise in accordance with the provisions of the Act read with CSR Rules, hereinafter referred to as “implementing agencies”.
3. Where the Company decides to undertake its CSR activities through the implementing agencies, the Company shall ensure that the implementing agency is registered with MCA by filing CSR-1.
4. The Company, if required may collaborate with other companies and pool resources to carry out its CSR Activities from time to time in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programmes for each company.

### **CSR PROJECTS, PROGRAMS & ACTIVITIES**

In accordance with the CSR Vision of the Company and the specified activities under the Act read with CSR Rules and any amendment(s) thereof, the CSR activities of the Company shall have the following thrust areas, identified as “priority projects”:

<b>Sl. No</b>	<b>Projects to be Undertaken</b>	<b>Execution Modalities</b>	<b>Implementation Schedule</b>
1	Promotion of healthcare including preventive health care, sanitation and making available safe drinking water	Organizing free multiple health camps on its own or together with partner organizations, NGOs for Diabetes, Eye, Blood & General Health Check up, distribution of Spectacles, Cataract Detection & Operation, Blood Donation and others including Installation of deep tube well for local & community & needy people at multiple locations in which the company operates and otherwise.	Multiple Activities constituting the projects planned to be undertaken by the Company shall be carried. The CSR Committee may plan and budget the break-up of the total spend in each such projects/activities and

		Donations made to various health institutes, Clubs, Trusts and NGOs for setting up of the hospitals and/or part thereof etc. Also to contribute directly to the hospitals and allied institutes for the betterment of the process and procedures of the said institutes.	spend at least the minimum amount stipulated in the Act during the aforesaid financial year. The proportionate of total spend in each category of activities shall be as budgeted by the CSR Committee from time to time.
2	Promote education and donate for promotion of education and setting up related projects	Provide aid for setting up educational related projects for the underprivileged and needy as well as free distribution of the education related items and setting up of various educational institutes for the poor and needy (directly and through donations to Trusts, NGOs, Clubs, Institutes etc.)	
3	Contribute to aid the differently-able persons	Free Distribution of Artificial limbs and other aids and appliances to the differently-abled persons of society who are economically exceeding marginalized.	
4	Contribution towards promotion and development of traditional Arts, Cultural Activities and handicrafts	Contribution to various institutes, trusts, NGOs for such purposes.	
5	Contribution towards other activities mentioned in Schedule VII of the Act	Provide Contribution for the other allied activities mentioned in the Schedule VII of the Act on project basis	

Apart from the CSR activities as mentioned above, the Board of Directors may decide to undertake any other CSR activity in alignment with the activities allowed under Schedule VII as recommended by the CSR Committee.

### **EXCLUSIONS**

- a) The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.
- b) It shall not include the activities undertaken by the Company outside India except training of Indian sports personnel representing any State or Union territory at national level or India at international level.

- c) The Company shall not make any payment directly or indirectly to Political Party (ies) for CSR Activities.
- d) The CSR projects or programs or activities that benefit only the employees [as defined under Section 2(k) of the Code of Wages, 2019] of the Company shall not be considered as CSR activities in accordance with Section 135 of the Act.
- e) The activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services shall not be considered as CSR activities.
- f) The activities carried out by the Company for fulfilment of any other statutory obligations under any law in force in India shall not be considered as CSR.

## **CAPACITY BUILDING**

The Company shall build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent as well as how to effectively manage other organizations through which or in collaboration with which the Company undertakes/may undertake its CSR activities. The expenses incurred on the training etc. for capacity building of the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects has been recognized as administrative overheads under the CSR provisions and can be booked as CSR expenditure.

Administrative Overheads means expenses incurred by the company in the general management and administration of CSR functions in the company, excluding the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

The amounts spent as administrative overheads and booked as CSR expenditure cannot exceed 5% of the overall CSR spend every financial year, on an aggregate basis.

## **MONITORING & REVIEW MECHANISM**

As aforesaid, the monitoring of the CSR policy, its projects and activities undertaken shall be under the overall superintendence and guidance of the CSR Committee of the Company.

The report of would indicate the following:

- Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.

- Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.
- Actual year-to-date spends compared to the budget and reasons for variance.
- In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

Apart from the above, the CSR Committee shall organize periodic field visit to check the progress and implementation of CSR activities being carried out by the Company.

The Board shall also seek the progress report from the CSR Committee, whenever it thinks required.

### **IMPACT ASSESSMENT**

The Company shall be required to conduct impact assessment of the CSR projects undertaken by it if –

- (i) The average target spending in each of the three financial years amounts to Rs. 10 crores or more.
- (ii) The minimum outlay of the project is Rs. 1 crore or more.

The impact assessment shall be done by an independent external agency appointed by the Board.

The report of impact assessment shall be reviewed and recommended by the CSR Committee, post which the same shall be approved and adopted by the Board of the Company.

### **DISSEMINATION OF INFORMATION**

The Company shall disclose the contents of its CSR Policy and other prescribed details in its Board's Report and on its website, if any, in the manner specified in the provisions of the Act.

The CSR Committee shall, on an annual basis, also issue a responsibility statement on the implementation and monitoring of CSR Policy mentioning that the same is in compliance with CSR objectives and Policy of the Company. The same shall be part of the annual report on CSR activities of the Company and shall be also be included in the Board's Report of the Company in the manner specified under the Act & CSR Rules.

## **AMENDMENTS**

Any amendments in the applicable law, including any clarifications/ circulars of relevant regulator, if mandatory, shall be read with this Policy such that the Policy shall automatically reflect the contemporaneous applicable law at the time of its implementation till such time the changes are explicitly adopted in the Policy.

## **CONCLUSION**

In case of any doubt with regard to any provision(s) of the policy, a reference can be made to CSR Committee of Board of Directors. In all such matters, the interpretation and decision of the CSR Committee of the Board of Directors shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Government, from time to time.

The Board will review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

-----

Signature of the Chairperson of the CSR Committee:	Signature of one Member of the CSR Committee:	Signature of one Member of the CSR Committee: