

UNIQUE CHAINS AND JEWELS LIMITED

CIN: U74900MH2010PLC204518

CORPORATE SOCIAL RESPONSIBILITY POLICY

[Framed under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

Approved on:01-08-2024

First Revision on:

Objective of the Policy:

This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications as may be applicable and as amended from time to time and will, inter-alia, provide for the following:

- Establishing a guideline for compliance with the provisions of the acts to dedicate a percentage of Companies profits for social projects.
- Ensuring the implementation of Corporate Social Responsibility (CSR) initiatives in letter and spirit through appropriate procedures and reporting.
- Creating opportunities for employees to participate in socially responsible initiatives.

Philosophy: We, Unique Chains and Jewels Limited ("Company") are responsible organization with high regard for community well-being and human welfare. Unique Chains and Jewels Limited today fulfils this obligation by being involved in sustainable business which touches the life and livelihoods of thousands of Farmers and their Families. Along the way, Unique Chains and Jewels is also closely associated with NGOs which operates by touching upon some basic but most necessary needs such as HEALTH CARE to ultimately address fundamental ethical issues such as inclusion, dignity and equality.

Preamble: This Corporate Social Responsibility (CSR) Policy outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare & sustainable development of the community at large. It is Company's conscious strategy to design and implement CSR programs, that encompass the disadvantaged sections of society. This Policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

Annual CSR Expenditure Obligation as per the provisions of Companies Act, 2013:

The Company would spend not less than two percent of the average net profit of the Company made during the three immediately preceding financial years. For the purpose of this section "net profit" shall be calculated in accordance with the provisions of section 198 of the Companies Act, 2013. The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

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.

Provided that if the company fails to spend such amount, the Board of directors of the company shall in its report, specify the reason for not spending the amount and unless the unspent amount relates to any ongoing project referred to in sub-section 6 of section 135 of

the companies act, 2013, transfer such unspent amount to a Fund specified in Schedule VII within a period of six months from the end of the financial year.

Scope / List of CSR Activities:

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014:

The following lists of activities are the activities covered under corporate social responsibility as per Schedule VII of Companies Act, 2013:

- i. Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation including contribution to the Swach Bharat Kosh set-up by the Central government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Protection of national heritage, art & culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion & development of traditional arts and handicrafts;
- v. Measures for the benefit of armed forces veterans, war widows & their dependents;
- vi. Training to promote rural sports, nationally recognized sports, paralympic sports & Olympic sports;
- vii. Contribution to the Prime Minister's National Relief Fund or Prime minister's Citizen Assistance and relief in Emergency Situation Fund (PM Cares Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, tribes, other backward classes, minorities & women;
- viii. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- ix. Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR);

Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

- x. rural development projects;
- xi. Slum area development (For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force;
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.

Without prejudice to the above, following activities, by way of illustration, may also be carried out by the Company, if it deems fit:

- Curative health care, surgery, eye donation camps, skin donation camps, blood donation activities, therapy camps, dental camps, acupuncture camps, cataract camps, etc.
- Disaster management activities and Relief to victims of natural calamities.
- Activities relating to irrigation, wells, dams etc. for improving livelihood of farmers and agriculturists.

What is not CSR?

CSR activities will not, however, include the following:

- Activities undertaken in pursuance of Company's normal course of business;
- Activities which benefit only the employees of the Company and their families;
- Contribution directly or indirectly to any political parties;
- Activities undertaken outside the country, except for training of Indian sports personnel's representing any state or union territory at the national or international level;
- Activities, if any, supported on "sponsorship basis" for deriving marketing benefits for its products or services. One-off events such as marathons/awards/ charitable contributions/ advertisements/ sponsorships of TV Programmes etc;
- Expenses incurred for the fulfillment of any Act/ Statute of regulations/ any other statutory obligations under any law in force in India.

Modalities of Execution of Projects / Programs:

a) CSR Committee:

The CSR Committee shall consist of three or more directors, out of which at least one director shall be an independent director, However the company is not required to appoint independent director and therefore the company may appoint normal director / executive or non-executive director as member of the committee as per the provisions of the section 135 of the Companies Act, 2013. This CSR Policy, details of the composition of the CSR

Committee and projects approved by the Board shall be hosted on the Company's website after launching of its website.

The Committee shall meet atleast once in a year to discuss and review the CSR Activities. The CSR Committee shall decide on the locations for CSR activities and formulate and recommend to the Board the amount of expenditure to be incurred on the activities annually, the manner of execution, modalities of utilization of funds and implementation schedules along with the details of need and impact assessment for projects as required.

The Committee shall undertake the CSR activities:-

- Directly;
- Through various implementing agencies such as registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013 as specified in the Companies (CSR Policy) Rules, 2014 and Companies Act, 2013.

b) Duties and Responsibilities of CSR Committee:

The CSR Committee constituted in pursuance of Section 135 of the Companies Act, 2013 shall be required to carry out the following activities:

- To formulate and recommend to the Board, a CSR policy;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken for approval of the Board;
- To monitor the CSR policy and the CSR activity and report to the Board from time to time;
- Review the various proposals and identify the eligible entities/agencies for allocation of CSR amount;
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- Monitor and review periodically the CSR activities and submit the reports to the Board in respect of the CSR activities undertaken by the Company.

c) Duties and Responsibilities of the Board of Directors:

- The Board of Directors shall nominate a CSR Committee which consists of three or more Directors, with at least one independent Director.
- Approve the CSR Policy and the CSR Expenditure after taking into consideration the recommendations made by the CSR Committee;
- Ensure the CSR spending every financial year of at least 2% of average net profits made during the three immediately preceding financial years, in pursuance with the Policy;
- Ensure that CSR activities included in the CSR Policy are undertaken by the Company and that such activities are related to the activities specified in Schedule VII of the Companies Act;

- Ensure disclosure on the Directors' Report and website detailed as required under CSR Rules, stated as under:
 - Brief outline of the company CSR Policy;
 - Composition of the CSR Committee;
 - An annual report on CSR as per the format prescribed in Companies Act 2013, as amended from time to time;
 - All Board approved CSR projects;
 - Reasons for failure (if any) to spend required amount on CSR activities;
 - To ensure that the funds are utilized for approved purpose.

d) CSR medium / Operation:

i) CSR activities will be undertaken directly or through a registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013.

ii) If any donation/contribution is to be given to any other entity for CSR activity, preference will be given to such entities/trust having track record in undertaking similar programs or projects.

iii) Further, in such a case, the Company will specify the project or programme to be undertaken through these entities, the modalities of utilization of funds on such projects or programs and the monitoring and reporting mechanism.

iv) The Company may also collaborate with other companies for undertaking projects or programs in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the prescribed CSR Rules.

v) The entities that conduct social projects on behalf of the company or receive funds to realise programs must have knowledge and experience in the respective area, be transparent and integrity in their operations and have no other goal than the common good.

vi) The Company may build CSR capacities of its own personnel as well as those of the implementing agencies through institutions with established track records, subject to the prescribed CSR rules.

vii) Implementation will be done as per the requirement of the project or programme which is envisaged. Endeavour will be made to implement it over a year or so. However, as per the specific requirements of the activity, the schedule may be over a longer duration.

viii) The Company may also work with any NGO's or institution to design and implement innovative projects independently or through partnership between institutions/trust.

ix) 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.

x) The process for implementation of CSR programs will involve the identification of programs, area of CSR activities, project-based approach, time period, cost of the project etc.

xi) The CSR Committee would recommend the proposal of CSR and the amount of expenditure to be incurred on the same to the Board for its approval.

e) Monitoring & Assessment:

i) Release of funds for CSR Project/Program: The amounts sanctioned for a CSR project or programme, will be released in stages or instalments as per progress, as may be determined by the CSR Committee. CSR Committee may design the procedure/ guidelines applicable from time to time and release of funds to any project in a year shall be as per the guidelines finalized by the CSR Committee.

ii) Review by the Board/CSR committee: The Board of Directors and CSR Committee will review the implementation of CSR and financial reports (controlling of funds) periodically in their respective meetings.

iii) Utilization Certificate: Funds released/to be released to the implementing agency would be based on satisfactory utilization certificate duly certified by an authorized officer/CEO of the entity and satisfactory performance report submitted by the said person, as may be decided by the CSR Committee.

iv) External Agency assessment: The impact assessment/evaluation of major projects may be carried out by an external agency to critically assess the fulfilment of project objectives.

v) Audit: The amount spent on CSR by the Company will be subject to audit.

vi) Reporting in the Annual Report of the Company: CSR Policy and initiatives of the Company will be reported in the Annual Report of the Company in the manner position to report separately on such projects or programs in accordance with the prescribed CSR Rules.

v) The entities that conduct social projects on behalf of the company or receive funds to realise programs must have knowledge and experience in the respective area, be transparent and integrity in their operations and have no other goal than the common good.

vi) The Company may build CSR capacities of its own personnel as well as those of the implementing agencies through institutions with established track records, subject to the prescribed CSR rules.

iii) Implementation will be done as per the requirement of the project or programme which is envisaged. Endeavour will be made to implement it over a year or so. However, as per the specific requirements of the activity, the schedule may be over a longer duration.

iv) 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.

vi) The process for implementation of CSR programs will involve the identification of programs, area of CSR activities, project-based approach, time period, cost of the project etc.

viii) The CSR Committee would recommend the proposal of CSR and the amount of expenditure to be incurred on the same to the Board for its approval.

Amendments to the policy:

The CSR Policy referred to above is to be read in conjunction with Companies Act, 2013 and Companies (Corporate Social Responsibilities Policy) Rules, 2014. 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 from the Statutory Authority from time to time or as decided by the Board of Directors on its own and/or on the recommendation of CSR committee. The above Policy Guidelines are subject to review at suitable intervals and subject to revision accordingly.

The CSR Policy has been amended and approved by the Board at its meeting held on ____, 20__.
