

## **P. N. Gadgil & Sons Ltd.**

### **Corporate Social Responsibility Policy**

P. N. GADGIL & SONS LIMITED is engaged in manufacturing, trading of gold, silver and diamond and stone studded jewellery.

While pursuing our business strategy of maximizing the wealth of all stake holders, P. N. Gadgil & Sons Limited operates in a manner that not just continues to generate an attractive return for shareholders, but also minimizes our impact on the environment and helps in replenishing the planet; while lending a helping hand to the community.

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and to build a better, sustainable way of life for the weaker sections of society and thereby create value for the nation.

#### **The 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 (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will, inter-alia, provide for the following:

- i. Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.
- ii. Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.
- iii. Creating opportunities for employees to participate in socially responsible initiatives.

#### **Corporate Responsibility Committee**

The Board has constituted the Corporate Responsibility Committee in its meeting held on 30<sup>th</sup> March, 2018. The Committee shall be primarily responsible for undertaking, implementing and reviewing CSR Projects. The Company recognises its responsibility towards communities, customers and business partners.

The responsibilities of the committee are as under

- i. Formulate and update our CSR Policy, which will be approved by the Board
- ii. Approve projects that are in line with the CSR policy
- iii. Put monitoring mechanisms in place to track the progress of each project
- iv. Recommend the CSR expenditure to the Board who will approve it
- v. Meet at least twice a year to review the progress made

#### **Our CSR Mission**

1. 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.

2. Ensuring environmental sustainability through ecological conservation and regeneration, protection & promoting biodiversity.

### **CSR Activities**

The CSR activities we pursue will be in line with our stated Vision and Mission, focused not just around our office and branches, but also in other geographies based on the needs of the communities.

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:

- i. Eradicating hunger, poverty & malnutrition, promoting health care including preventive health care and 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 and employment enhancing vocation skills especially among children, women, elderly and the differently abled & livelihood enhancement projects ;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially & economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Funds set-up by the Central Government for rejuvenation of river Ganga;
- v. 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;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- viii. contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations 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, the Scheduled Tribes, other backward classes, minorities and women;
- ix. 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; and 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 Defense 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;
- xii. Contribution to corpus of a Trust / Society / Section 8 Companies etc., created exclusively for CSR activities;
- xiii. Disaster management, including relief, rehabilitation and reconstruction activities

The Above list is illustrative not exhaustive. All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society.

### **Scope and Focus:**

#### **1. Ensuring environmental sustainability and ecological balance –**

- a) Plantation drives in schools, villages, our manufacturing units & offices/business premises and other areas in general;
- b) Promoting agro-forestry;
- c) Protection of flora & fauna;
- d) conservation of natural resources
- e) Maintaining quality of soil, air & water.
- f) Adoption of wastelands to cultivate plants;
- g) Promoting biodiversity;
- h) Animal welfare and veterinary services.
- i) Technical support and Knowhow for improving farming and building capacities of small farmers.
- j) Promoting alternate energy resources.

#### **2. Promotion of education especially among children, women, elderly and the differently abled including:**

- a) Non-formal education programmes.
- b) Supporting schools with infrastructure like benches, toilets, potable water, fans etc.
- c) Supporting other educational institutions.
- d) Improving educational facilities in general.
- e) Supporting children for higher education.

#### **3. Rural Development Projects.**

- a) Arrangements for Preventive health care
- b) Providing sanitation facilities
- c) Making available safe drinking water.

#### **4. National heritage, art and culture**

Support artists, including writers, poets, painters, musicians, singers, dancers and theatre artists, in collaboration with organizations through contribution towards operational needs, performance activities, livelihoods, and other opportunities to

encourage preservation of cultural and traditional Indian art forms. Undertake restoration of architectural structures, historical monuments, and water bodies.

#### **5. Other Activities**

- a) Welfare for differently disabled persons
- b) Setting up public libraries
- c) Reducing inequalities faced by the socially and economically backward groups

6. Such other activities as the Board may consider to be appropriate.

#### **CSR Budget**

The total budget for the CSR projects will be decided by the CSR Committee.

#### **Implementation**

We will strive to implement the aforesaid CSR activities on our own to the extent possible. At the same time, we recognize need to work in partnership with other players also. This would include:

1. Collaborating with various organisation, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialise in the aforesaid activities.
2. Contribution to various funds which are aligned with our Vision and Mission e.g.
  - a) Prime Minister's National Relief Fund
  - b) Any other fund set up by the Central Government for :
    - Socio-economic development and relief.
    - For the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.
3. Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

#### **CSR Funds**

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
- Any income arising there from.
- Surplus, if any, arising out of CSR activities carried out by the company will be further used in development of the CSR projects and such surplus will not be part of business profit of the company.

## Monitoring

The CSR Committee of the Board will oversee these operations & will regularly report to the Board. This report would indicate:

1. Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
2. 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.
3. Actual year-to-date spends compared to the budget and reasons for variance.
4. 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.

The Board shall seek a short progress report from the CSR Committee on a quarterly basis.

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