



CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

BAANGANGA GOLD & DIAMOND (I) PRIVATE LIMITED

(Amended on September 5, 2025)

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1. INTRODUCTION

The Corporate Social Responsibility (“CSR”) policy is framed by Baanganga Gold & Diamond (I) Limited (Formerly Known as Baanganga Gold & Diamond (I) Private Limited) (“The Company”) in accordance with the applicable provisions of Section 135 of the Companies Act, 2013 (“Act”) and the rules issued thereunder and shall include any alterations, amendments or modifications hereto from time to time.

2. OBJECTIVE AND APPLICABILITY

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives.

This policy shall be effective from the date of its adoption and approval of the Board of Directors of the Company.

3. DEFINITIONS:

“Act” means the Companies Act 2013.

“Administrative Overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

“Board” or “Board of Directors” means Board of Directors of the Company.

“CSR Committee” means a Committee of the Board of Directors of the Company constituted under provisions of Companies Act, 2013 read with Rules thereto.

“Corporate Social Responsibility (CSR)” means the responsibility of the Company to undertake the projects and programmes relating to the activities covered under the subjects enumerated in Schedule VII of the Act and approved by the Board in pursuance of recommendations of the CSR Committee, if any.

“Corporate Social Responsibility Activities (CSR Activities)” means the activities proposed to be undertaken by the Company for the discharge of its Corporate Social Responsibility in accordance with this Policy.

“CSR Rules” means the Corporate Social Responsibility Rules, 2014 notified on 27th February, 2014 by the Government of India, Ministry of Corporate Affairs and any amendments thereof from time to time.

"CSR Projects" or "Projects" means Corporate Social Responsibility projects / activities / programs / initiatives, instituted in India, either new or ongoing projects, and includes, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee, if any as per the declared CSR Policy of the Company.

The words and expressions used and not defined in this Policy shall have the same meanings respectively assigned to them in the Act or CSR Rules.

4. CSR ACTIVITIES

The Board/Committee shall ensure that the CSR Activities that are undertaken by the Company should be one or more of the following activities or any other areas as notified under Applicable laws:

- 4.1** Eradicating hunger, poverty and 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;
- 4.2** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- 4.3** 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 and economically backward groups;
- 4.4** Ensuring environmental sustainability, ecological balance, 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 set-up by the Central Government for rejuvenation of river Ganga;
- 4.5** 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 art and handicrafts;
- 4.6** 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;
- 4.7** Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- 4.8** 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- 4.9** 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;

4.10 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);

4.11 Rural development projects;

4.12 Slum area development.

Explanation. - 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;

4.13 Disaster management, including relief, rehabilitation and reconstruction activities;

4.14 Any activities or subjects specified in Schedule VII of the Act.

5. CSR EXPENDITURE

5.1 The Company shall spend at least 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years in accordance with the Act and the Rules and the CSR Policy or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;

5.2 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;

5.3 The CSR Committee, if any, shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.

5.4 The Board shall be responsible for sanctioning the CSR Expenditure and along with the CSR Committee, if any responsible for taking steps to ensure that the amount for the CSR Expenditure is available for application towards the CSR Activities;

5.5 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.

- 5.6** The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- 5.7** Where a company spends an amount in excess of 2% of the average net profit, 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 –
- 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;
 - the Board of the company shall pass a resolution to that effect.
- 5.8** Any amount remaining unspent at the end of the financial year, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII of the Act for this purpose, within a period of six months of the expiry of the relevant financial year.
- 5.9** In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to be specified in Schedule VII of the Act for this purpose, within a period of thirty days from the date of completion of the third financial year.
- 5.10** In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws and shall not include the following:
- 5.10.1 activities undertaken in pursuance of normal course of business of the company and 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;
 - 5.10.2 contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
 - 5.10.3 activities benefitting employees of the company as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019);
 - 5.10.4 activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - 5.10.5 activities carried out for fulfilment of any other statutory obligations under any law in force in India; and
 - 5.10.6 Projects/activities not falling within Schedule VII (i.e. activities mentioned under CSR initiatives and programs)

6. CSR COMMITTEE

6.1 Composition of CSR Committee:

6.1.1 The Board shall constitute a CSR Committee shall consist of three or more directors with one being an Independent Director. Provided that where a company is not required to appoint an independent director, it shall have in its Corporate Social Responsibility Committee two or more directors.

6.1.2 The CSR Committee shall meet as and when required and the Company Secretary of the Company shall act as the Secretary to the Committee.

6.2 Role of the CSR Committee:

The CSR Committee shall:

- 6.2.1 formulate and recommend the CSR Policy to the Board, including the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- 6.2.2 recommend the amount of CSR expenditure to be incurred on the CSR activities which, to the extent applicable, in each financial year, will be at least 2% of the Average Net Profits of the Company;
- 6.2.3 institute a transparent monitoring mechanism for implementation of CSR Projects or programs or activities undertaken by the Company;
- 6.2.4 monitor the implementation of the CSR Policy from time to time and create mechanisms for tracking performance of identified projects or programs;
- 6.2.5 submit reports to the Board in respect of the CSR activities undertaken by the Company;
- 6.2.6 discharge such other functions as the Board may deem fit to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, as amended.

7. ROLE OF THE BOARD

The Board shall:

- 7.1** After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company;
- 7.2** Disclose contents of the CSR Policy in its report;
- 7.3** Ensure that as and to the extent applicable, in each financial year the Company spends at least 2% of the Average Net Profits of the Company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years], in pursuance of its Corporate Social Responsibility Policy, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy;
- 7.4** Satisfy itself regarding the utilization of the disbursed CSR fund;
- 7.5** In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period;
- 7.6 BOARD TO ACT AS CSR COMMITTEE:** Pursuant to Section 135(9) of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2020, a company is exempt from the requirement to constitute a Corporate Social Responsibility (CSR) Committee

where the amount to be spent under Section 135(5) does not exceed ₹ 50 Lakh in a financial year. In such cases, the functions of the CSR Committee shall be discharged by the Board of Directors;

8. CSR IMPLEMENTATION AND MONITORING

8.1 The Company shall prepare its Annual Action Plan once in each Financial Year according to the availability of resources, on approval of the Board which shall include the following:

8.1.1 the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

8.1.2 the manner of execution of such projects or programmes;

8.1.3 the modalities of utilisation of funds and implementation schedules for the projects or programmes;

8.1.4 monitoring and reporting mechanism for the projects or programmes; and

8.1.5 details of need and impact assessment, if any, for the projects undertaken by the company

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

8.2 The CSR Activities shall be undertaken by the Company itself or through such Company or entity as mentioned under Rule 4 of The Companies (Corporate Social Responsibility Policy) Rules, 2014.

8.3 To ensure effective implementation of the CSR programmes, the Company shall put in place, suitable monitoring mechanism.

8.4 The progress of CSR programmes under implementation will be reported to the Chairman, as and when required.

8.5 The expenditure for the Financial Year will be tracked and reported to the board members as and when required.

8.6 An Annual report on CSR containing the particulars as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 shall form part of Annual Report of the Company.

9. IMPACT ASSESSMENT

Impact assessment, if and when mandated or required, shall be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

10. AMENDMENTS

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this Policy and of any relevant applicable law such applicable law in force, from time to time, shall prevail over this Policy.

11. DISCLOSURE

This policy, as amended from time to time, is disclosed on Company's website i.e. <https://baangangagold.com/>