EMERALD JEWEL INDUSTRY INDIA LIMITED

CORPORATE SOCIAL RESPONSIBILTY (CSR) POLICY

Section 135 of the Companies Act, 2013

CIN: U03691TZ2004PLC011255

Registered Office: 230, THIRUVENKATASAMY ROAD (EAST) R.S.PURAM, COIMBATORE – 641002

EMERALD

CORPORATE SOCIAL RESPONSIBILTY (CSR) POLICY

PREAMBLE:

Socially responsible business practice is an integral part of an organization's effort at ensuring good Corporate Governance. Corporate Social Responsibility (CSR) is therefore a tool through which an organization reflects and pledges its commitment to support and participate in community building efforts.

The Government of India has vide section 135 of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) has brought out CSR guidelines to be adhered to by certain class of companies.

As an organization, Emerald Jewel Industry India Limited is covered by these rules. In this regard it has to be noted that EJIIL since inception has been in the vanguard of society welfare and development through numerous initiatives undertaken on a regular basis.

Considering the new statutory requirement EJIIL has framed a CSR policy that is reflective of its long-held beliefs and commitment towards community development. The CSR Policy of EJIIL contains principles that will guide future CSR projects / Programmes / activities, such as prescribing the budgetary limits, scope of CSR activities, the geography within which the activities are to be carried out, procedure for sanction of funds, procedure for obtaining Board approval, monitoring mechanism for projects, programmes and activities etc.

DEFINITIONS:

1. CSR Committee: means a Committee of Board of Directors, consisting of three Directors at least one of whom shall be an independent Director, duly constituted by the Board of Directors of the Company. The CSR Committee shall be headed by a Chairman duly elected as per the provisions of the Act.

2. Net profit : means profit calculated as per section 198 of the Companies Act, 2013 and shown in the audited annual financial statements of the company but does not include profit earned through overseas operations, either by a separate company or otherwise, and dividend received from other companies in India.

3. CSR expenditure: means any amount spent by the Company within the territory of India, in any financial year for the projects / programmes / activities covered under items listed in Schedule VII of the Act.

SCOPE

Scope of CSR policy is to lay down the guiding principles to enable the CSR Committee and the Board of Directors to determine the amount of money to be earmarked for the CSR Expenditure in any financial year, the projects / programmes / activities for which the amount has to be spent and allocation of funds among

various heads of CSR expenditure the geographical areas where the CSR activities are to be undertaken, priority for certain CSR activities over other CSR activities, timing of the expenditure, periodicity of reporting and to undertake any other activity required for due compliance of the provisions of the Act and the Rules.

CSR ACTIVITIES TO BE COVERED

CSR activity to be undertaken shall be one or more of the projects / programmes/activities specified under the Schedule VII of the Act. The CSR committee may recommend to the company the nature of the CSR activity to be undertaken for each financial year. The CSR committee is at liberty to identify the projects / programmes /activities based on the needs of the society. The Administration Department / Public Relations Department / Unit Heads of the Company may submit to the Chairman of the CSR Committee the nature of CSR activities to be pursued from time to time based on the requirements of the area in which the factories / establishments of the Company are situated.

PERMITTED CSR ACTIVITIES

(i) Eradicating hunger, poverty and malnutrition, 2[''promoting health care including preventive health care''] and sanitation 4[including contribution to the Swachh 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 and 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 and economically backward groups.

(iv) 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 4[including contribution to the Clean Ganga Fund 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 art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, 9[Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) contribution to the prime minister's national relief fund 8[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;

(ix) (a) 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

(b) 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) disaster management, including relief, rehabilitation and reconstruction activities.

(xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange.

GEOGRAPHICAL AREA

EJIIL may undertake CSR activities anywhere in India; however preference may be accorded for the geographical locations (district, city / town or village) where the Company's operations are located.

AMOUNT TO BE SPENT

During every financial year the CSR Committee shall arrange to spend for the specified CSR activities, an amount which is not less than 2 % of the average net profits of the immediately preceding three financial years. However in any financial year, for any reasons, the company is unable to spend an amount as stated above, shall provide suitable explanation stating the reasons therefor to the Board of Directors and the Board shall include the same in the Directors ' Report of the Company.

CSR EXPENDITURE BUDGET

A CSR expenditure budget (budget) for every financial year shall be prepared and

submitted to the CSR committee for recommendation. The budget shall provide details as to the proposed activity wise expenditure and the time of expenditure spread over the financial year. The CSR Committee after deliberations may recommend with or without modification to the Board of Directors for their approval. Then the company shall allocate funds as per the Board's approval.

METHOD OF CSR EXPENDITURE

The Company may undertake the CSR activities directly by itself or by contributing to external agencies / Implementing Agencies, like established Charitable Trusts of long standing reputation or partly by it and partly through such Trusts as may be recommended by the CSR Committee and approved by the Board. Where contributions are made to an external Trust, the company shall obtain a Fund Utilization Certificate duly certified by an independent Chartered Accountant and submitted to the CSR Committee. For ongoing projects, extending beyond the financial year, interim status report on the progress of the project duly certified by an independent Chartered Accountant shall be obtained.

MONITORING CSR ACTIVITIES

The CSR Committee shall meet at reasonable intervals and review the progress on the CSR activities. The Committee shall take steps to check whether the activities are progressing as per guidelines of the CSR policy and the Act/Rules and shall initiate corrective actions wherever necessary.

CSR REPORTING

The Company shall submit to the CSR Committee the details of projects / programmes / activities undertaken periodically at reasonable intervals. The CSR committee shall forward a report on CSR projects / programmes / activities of the Company to the Board of Directors once in a year. The Board shall provide a report in the prescribed format on CSR activities of the Company in its Report to shareholders every year.

POLICY OPERATION AND REVIEW

The CSR policy when approved by the Board is final and will come into operation with immediate effect. However the Board may on the recommendation of the CSR Committee may review and modify /change the policy in accordance with the changes, amendments and modifications in the Act /Rules and in line with the changing requirements of the Company.

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EMERALD

COMPOSITION OF THE CSR COMMITTEE

S. No	Name of Director	Position	Category
1	Mrs. R. Renukadevi	Chairman	Independent Director
2	Mr. K. Srinivasan	Member	Chairman and Managing Director
3	Mrs. Shakthi Srinivasan	Member	Whole Time Director
4	Mr. Dhiaan Shakthi Srinivasan	Member	Whole Time Director
5	Mr. S. Nishtashri	Member	Whole Time Director