

## **VARMORA GRANITO PRIVATE LIMITED**

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CIN: U26914GJ2003PTC043194



# CORPORATE SOCIAL RESPONSIBILITY

## CSR Policy

### Abstract

As per Companies Act 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) Committee. This Committee shall ensure that the company spends, in every financial year, at least two percent (2%) of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

Nilesh Sharma

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## OBEJECTIVES OF THE POLICY

The Corporate Social Responsibility Policy (“**CSR Policy**”) of Varmora Granito Private Limited (“the Company”) aims:

- To help in eradicating poverty, hunger & malnutrition and improve healthcare & sanitation conditions.
- To promote education, vocational skills for children, women, and elderly.
- To promote gender equality, social & women empowerment and providing better facilities for senior citizens and economically backward people.
- To support development in local rural areas.
- To contribute towards sustainable development of society and environment.
- To provide food and medical facilities for animal welfare.
- To make the planet a better place for future generations.

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## TABLE OF CONTENTS

<b>CSR Policy Documents</b> .....	<b>3</b>
1.1 Document History.....	3
1.2 Revision History .....	3
1.3 Document Location .....	3
1.4 Purpose.....	3
1.5 Scope .....	4
1.6 Approvals.....	4
1.7 Distribution .....	4
1.8 Definitions.....	4
1.9 Precautions.....	5
1.10 Existing Policy .....	5
1.11 Revised Policy .....	5
1.12 CSR Activities .....	6
1.13 CSR Spending.....	7
1.14 Mode of Implementation .....	8
1.15 Capital Assets .....	8
1.16 Reporting & Disclosure of Policy .....	8
1.17 Amendments .....	8
1.18 Responsibilities.....	8
1.19 Reference Document.....	8

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## CSR Policy Documents

Identifier	Revision	Effective Date	Period	Prepared By
Secretarial/Compliance/CSR/2023/Vol_1.0	Vol 1.0	1-Apr-2023	1-Apr-23 to 31 Aug-23	Mr. Nilesh Sharma
Secretarial/Compliance/CSR/2023/Vol_2.0	Vol 2.0	1-Sep-2023	1-Sep-2023 to 31 Mar-24	Mr. Nilesh Sharma
Secretarial/Compliance/CSR/2024/Vol_1.0	Vol 3.0	1-Apr-2024	Until next revision	Mr. Nilesh Sharma

### 1.1 Document History

This Policy i.e., Secretarial/Compliance/CSR/2024/Vol\_1.0 (effective 1-Apr-24) is revision of version 2.0 (effective 1-Sep-23) is created to make changes in the constitution of CSR Committee and ensure expenditure under section 135 of the Companies Act, 2013, i.e., Corporate Social Responsibility.

### 1.2 Revision History

Revision #	Revision Date	Summary of Changes	Author
01	1-Apr-2023	Re-formulation of CSR Policy	Mr. Nilesh Sharma
02	1-Sep-2023	Constitution of Committee Members	Mr. Nilesh Sharma
03	1-Apr-2024	Reconstitution of Committee Members	Mr. Nilesh Sharma

### 1.3 Document Location

This is an on-line document. Refer to the author if you are in any doubt about the accuracy of this document.

### 1.4 Purpose

The Corporate Social Responsibility Policy (“**CSR Policy**”) of Varmora Granito Private Limited (“the Company”) aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in healthcare, sanitation, education, animal welfare, rural development, social and women empowerment, etc.

The activities enlisted in this CSR Policy are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company.

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### 1.5 Scope

This CSR Policy shall be implemented by the Secretarial Team of VGPL and its allied organizations (Subsidiaries of VGPL). This policy shall be discussed with Finance & Accounts and Marketing team to ensure expenditure to be made during every financial year as per the section 135 of the Companies Act, 2013. The CSR Committee shall formulate and recommend a CSR policy to the Board. CSR policy shall point out the activities to be undertaken by the company as enumerated in Schedule VII of the Companies Act, 2013. The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities, to be undertaken by the company & shall monitor the CSR policy of the Company from time to time.

The committee shall establish a transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company.

### 1.6 Approvals

This Policy is approved by below authorities in alignment with CSR Committee:

Name	Designation
Mr. Bhavesh Koshti	Chief Financial Officer
Mr. Amit Doshi	Chief Strategy Officer

Implementation of the policy requires approval of CSR Committee and any suggestions given by committee needs to be incorporated before implementation of the policy.

### 1.7 Distribution

This document shall be distributed to

Department	Responsible Person
Finance & Accounts	Respective entities responsible person of Finance team
Marketing	Chief Marketing Officer (CMO)

### 1.8 Definitions

The following abbreviations and standard terms are used in this document.

“Act” means the Companies Act, 2013.

“Board of Directors” or “Board” means the collective body of the directors of the company.

“Company” means “Varmora Granito Private Limited”.

“CSR Policy” means CSR Policy of Varmora Granito Private Limited.

“CSR Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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“Implementing Agency” means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the company to implement various projects in pursuance of CSR Policy.

### 1.9 Precautions

Use this Policy in conjunction with other Applicable provisions of the law and only with prior permission of Secretarial Team/ CSR committee.

### 1.10 Existing CSR Policy effective 1 September 2023 (Ref: Secretarial/Compliance/CSR/2023/Vol\_2.0):

As per the existing policy implemented effective 1st September 2023, the CSR Policy is made for the purpose of promoting the child education, women empowerment, healthcare & sanitation facilities in rural areas and animal welfare.

The statutory requirement for CSR expenditure is as below for VGPL and all subsidiary of VGPL, wherever applicable as per the section 135 of the Companies Act, 2013.

Avg. Net Profit of Previous 3 Years as per Section 198 of Cos. Act, 2013	2% of Avg. Net Profit	Amount Available for Set-off	Amount Required to be Spent
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### 1.11 Revised CSR Policy effective 1 April 2024 (Ref: Secretarial/Compliance/CSR/2024/Vol\_1.0):

As per the revised policy implemented effective **1 April 2024**, the new constitution of CSR Committee for VGPL will be as follows.

**The CSR committee shall consist of minimum of 3 members, consisting of three or more Directors, out of which at least one director shall be an independent director and shall also have i.e.**

Name of the Member	Particulars
Not Specified	One nominee of the Promoters
Not Specified	One nominee of the Investor
Not Specified	Any other member as may be mutually decided by other committee members

The change in policy is made to bring changes in the constitution of the CSR Committee pursuant to section 135 of the Companies Act, 2013; terms of the Shareholder's Agreement (SHA), articles of association of the Company (AOA) and the CSR Committee document being approved by the Board of

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Directors in their meeting dated 19<sup>th</sup> March 2024.

Name of the Member	Particulars
Mr. Suryanarayanan Sivaramakrishnan	Chairman & Independent Director
Mr. Bhavesh Varmora	Director & Nominee of the Promoters
Mr. Aamir Zeb	Director & Nominee of the Investor

### **Justification for upgradation of Policy**

Post Re-formulation of the CSR Committee in line with the provisions of CSR Committee document being approved by the Board of Directors and section 135 of the Companies Act, 2013, the constitution of CSR Committee was required to be formalised and therefore the changes were made to the constitution of the Committee as per the changes approved in the Board Meeting dated 19<sup>th</sup> March, 2024.

### **1.12 CSR Activities**

#### **(A) Company shall undertake CSR activities inconsistent with activities given under schedule VII of the Companies Act 2013:**

- a. Towards eradicating poverty, hunger and malnutrition, sanitation, and making available clean drinking water.
- b. Promoting education, vocational skills, special education for children, women and elderly.
- c. Promote gender equality, women empowerment, setting up old age homes, hostels, orphans, day care centres and other facilities for senior citizens and economically backward people.
- d. Ensure sustainable environment, protection of flora and fauna, animal, soil, air water and all other natural resources.
- e. Protect national heritage, art and culture, setting up libraries, protection and development of traditional art and handicrafts.
- f. Measures towards Development of widows of armed forces people.
- g. Promote rural sports, Olympics and Paralympic sports.
- h. Contribution towards following funds set up by the central government:
  - (i) Swacch Bharat Kosh;
  - (ii) Clean Ganga Fund;
  - (iii) Prime Minister's National Relief Fund (PMNRF);

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- (iv) Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund);
- (v) Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs, for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- i. Contribution towards research and development projects in the field of science technology or medicines.
- j. Contribution to public funded universities, IITs, DAE, DBT, DST, ICAR, CSIR, DRDO, AYUSH and ICMR etc.
- k. Rural development projects
- l. Towards disaster management including relief, rehabilitation and reconstruction activities.

**(B) CSR amount shall not be spent for the following activities:**

- a. Activities undertaken by the company in the normal course of the business.
- b. Activities undertaken by the company outside India except for training of Indian sports personnel.
- c. Contribution to any political party directly or indirectly.
- d. Activities benefitting employees of the company.
- e. Activities carried out for fulfilment of any other statutory obligations under any other law.
- f. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its own products and services.

**1.13 CSR Spending**

The Company shall endeavour to achieve the objectives of CSR Policy and allocate every year:

- a. The CSR committee and the Board shall ensure that the company spends, in every financial year, at least two percent (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.
- b. If the company spends an amount in excess of the requirements provided in a financial year, such company may set off such excess amount against the requirement to spend for three immediately succeeding financial years and in such manners, as prescribed under Companies Act, 2013.
- c. Transfer of Unspent Amount: If the company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

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### 1.14 Mode of Implementation

CSR programs, projects or activities of the company should be implemented through following methods:

- (i) Directly by the company;
- (ii) Implementing Agencies;
- (iii) Any foundation or body incorporated by the company and eligible to undertake such CSR projects.
- (iv) in collaboration with other organizations/group companies

### 1.15 Capital Assets

Capital asset acquired or created by CSR projects should be held by the beneficiaries of the said CSR project or a trust or a public authority for the benefits of all. The company should take appropriate measure to ensure that such assets are utilized for the purpose it was meant for and should not be transferred or disposed-off without prior permission of the company.

### 1.16 Reporting and Disclosure of the Policy

The CSR Committee shall report to the Board of the Company. The Composition of the CSR Committee, CSR projects approved by the Board. The Policy shall be disclosed on the website of the Company.

### 1.17 Amendments


Amendments to the CSR Policy, if any, shall be considered by the Board of the Company, based on the recommendations of the CSR Committee. This Policy has been made as per the provisions of the Companies Act, 2013 and the Rules made thereunder ('Applicable law'). 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.

### 1.18 Responsibility

The Secretarial Team located at Company's corporate office at Ahmedabad will ensure the compliance across all the group companies pursuant to section 135 of the Companies Act, 2013.

### 1.19 Reference Documents

Individuals using this policy should become familiar with the following documents:

#	Name of Document(s)	File
1	Existing CSR Policy	

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