

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Preamble

The Corporate Social Responsibility (hereinafter referred as CSR policy) of Naman Industries Proxima Limited (the "Company") is issued within the framework of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (CSR Policy) Rules, 2014 (the "Rules"), put in place a CSR Policy for the Company as per approval given by the Board of Directors of the Company at its meeting held on 24th November 2023.

This policy sets out the Company's commitment & approach towards Corporate Social Responsibility based on our philosophy of always acting in the interest of others be it our clients, employees, or society. The Company is committed to the society for improving the quality of life of the communities we serve. The Company intends to be a significant contributor to CSR initiatives by devising, implementing and contributing to projects focused on education, enhancement of livelihood, equality, environmental sustainability, and socio-cultural development in the areas where it operates.

Whenever any amendments are made under the applicable provisions of Act & Rules framed thereunder on the subject, the same shall be duly incorporated in the policy document. As per the Act, modification/ amendment to the Policy will be approved by the Board of Directors of Company on the recommendation of the CSR Committee of the Board.

In case of any conflict between this policy and Act or Rule made thereunder, the later shall prevail.

2. Policy Statement: Purpose of Policy and Key Focus areas

At Naman Industries Proxima Limited, we are committed to actively contributing to the social, economic and environmental development of the communities in which we operate. Our strategic Corporate Social Responsibility (CSR) initiatives actively work towards sustainable way of life for physically challenged sections of society and have helped us carve out a reputation for being one of the most socially and environmentally responsible companies in India.

Key Purpose of Policy:

- Define what CSR means to us and the approach adopted to achieve our goals
- Define the kind of projects that will come under the ambit of CSR

- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated

Key Focus areas:

The CSR Policy focuses on addressing critical social, environmental, and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with the Company's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact. As a practice, we classify only those projects that are over and above our normal course of business as CSR. This policy applies to all our CSR projects and it will be further reviewed and updated.

We recognize the fact that in order to truly embed sustainability into our business, it is crucial for us to manage and reduce the environmental impacts of our operations. The Greener India initiative aims to do this through its innovative projects that focus on achieving time-bound goals linked to the environmental performance of the company.

Our CSR policy contributes to the Group-wide goals of NIPL by adopting projects in the following areas of intervention defined in Schedule VII:

- ensuring environmental sustainability
- promoting education
- others projects as may be identified in the future

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.

3. CSR Committee

At NIPL, our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR projects undertaken. The committee will report to our Board of Directors.

The CSR Committee of the Board shall comprise of three or more directors, out of which atleast one director shall be an Independent Director. In case where there is no Independent Director available on the Board, the position may temporarily be occupied by a non-executive Director in place of an independent director duly nominated by Chairman and with the approval of Board. The Board shall decide the Chairperson of the CSR committee while constituting the committee who shall be the convener of the CSR Committee of the Board.

The Company Secretary to the Company shall act as Secretary to the CSR Committee of the Board.

Functions and Responsibilities of the Committee:

- Formulate and update our CSR Policy, which will be approved by the Board of the Company;
- Suggest areas of intervention to the Board;
- Approve projects that are in line with the CSR policy;
- Put monitoring mechanisms in place to track the progress of each project;
- To make a total budget for the CSR projects which will be ultimately approved by the Board of Directors of the Company.
- To review and recommend, the amount of CSR expenditure to be undertaken by the Company which will be approved by the Board of the Company;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

4. Treatment of Surpluses

Any surplus generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus. These funds will be further used in development of the CSR projects and will not be added to the normal business profits.

5. Monitoring and Assessment

i. **Release of funds for CSR Project/ Programme :**

The amounts sanctioned for a CSR project or programme will be released in full or in stages or installments as per progress, as may be determined by the CSR Committee and as may be verified by the CFO of the company. 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 Board/CSR committee:**

On a periodical basis, the Board of Directors and CSR Committee will review the implementation of CSR.

iii. **Utilization Certificate:**

Funds released/to be released to the implementing agency would be generally based on a satisfactory utilization certificate duly certified by an authorized officer/CEO/CFO of the done entity and a 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 fulfillment of project objectives, subject to the applicable CSR Rules.

v. **Audit:**

The amount spent on CSR by the Company will be subject to audit as may be determined by the CSR Committee and as per applicable laws.

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 prescribed under the CSR Rules. All the reports would be documented and hosted on the Company website.

6. Reporting by Team

The business teams will report/give feedback to the CSR Committee for all CSR projects undertaken.

For Naman Industries Proxima Limited



Director