GAUR AND NAGI LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY



Effective Date:

25 February 2026

GAUR AND NAGI LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction

While Gaur and Nagi Limited ("the Company") strives to achieve its business objectives, it has never lost sight of its commitment to play its role as an enlightened corporate citizen so as to achieve maximum social good. Corporate Social Responsibility ("CSR") has always been an integral part of the Company's philosophy, and the Company had been undertaking CSR initiatives on a voluntary basis in earlier years.

The concept of Corporate Social Responsibility (CSR) has gained significant importance and is now recognized as a statutory responsibility for eligible companies under the Companies Act, 2013. Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has become subject to the mandatory CSR compliance requirements with effect from the financial year 2025–26.

Further, as the Company falls within the category of companies exempted from constitution of a separate Corporate Social Responsibility Committee under the applicable provisions, the functions of the CSR Committee, including formulation and recommendation of the CSR Policy and monitoring thereof, shall be discharged by the Board of Directors of the Company. In the event the Company ceases to qualify for the applicable exemption and becomes liable to constitute a Corporate Social Responsibility Committee under the provisions of the Companies Act, 2013 and the rules made thereunder, the Company shall constitute a separate Corporate Social Responsibility Committee in compliance with the applicable legal requirements.

This Corporate Social Responsibility Policy ("CSR Policy") has been formulated and approved by the Board of Directors and shall come into force with immediate effect.

1.1 CSR Vision

At Gaur and Nagi Limited, we are committed to fostering an improved quality of life for present and future generations while contributing to inclusive and sustainable economic development. Our vision is to support initiatives that fulfil the basic needs of society, including education, healthcare, sanitation, and other essential services, through environmentally, socially, and economically sustainable practices.



1.2 Objectives of the Policy

This Policy has been framed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and such other applicable rules, regulations, circulars, and notifications (collectively referred to as the "Applicable Provisions"), as may be amended from time to time. This Policy, inter alia, seeks to provide for the following:

a) To reaffirm the Company's commitment towards undertaking Corporate Social Responsibility initiatives for the promotion of social welfare and inclusive development.
b) To establish a structured framework for compliance with the Applicable Provisions, including utilisation of the prescribed percentage of the Company's profits towards eligible CSR activities and projects.
c) To ensure effective planning, implementation, monitoring, and reporting of CSR programmes in true letter and spirit of the law.
d) To encourage and facilitate employee participation in socially responsible and community welfare initiatives undertaken by the Company.

1.3 Definitions

In this Policy unless the context otherwise requires:

(a) 'Act' means Companies Act, 2013;
(b) "Board" means the Board of Directors of the Company and shall include the Corporate Social Responsibility Committee, wherever constituted, for matters delegated to it under this Policy or under Applicable Law.
(c) 'Corporate Social Responsibility' means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014 (CSR Rules);
(c) 'Ministry' means the Ministry of Corporate Affairs
(d) 'Net Profit' means net profit as defined in Section 135 of the Act 2013 and Companies Corporate Social Responsibility Policy) Rules 2014, as set out below:

Net Profit as per financial statements prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:

(i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and

(ii) any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act;

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Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

1.4 Focus Areas

While the Company may undertake such Corporate Social Responsibility ("CSR") activities as may be approved by the Board of Directors from time to time, in accordance with the provisions of the Companies Act, 2013, particularly Schedule VII thereof, the rules framed thereunder, and any circulars, notifications, or clarifications issued from time to time (collectively referred to as the "Applicable Law"), the CSR initiatives of Gaur and Nagi Limited shall, inter alia, focus on the following areas, which shall be read in harmony with and deemed to include the activities specified under Schedule VII of the Companies Act, 2013, as amended from time to time:

a) Eradicating hunger, poverty, and malnutrition, and promoting related welfare measures;
b) Promoting education, vocational training, and skill development to enable sustainable livelihoods;
c) Promoting healthcare, including preventive healthcare and sanitation;
d) Ensuring environmental sustainability, ecological balance, and conservation of natural resources;
e) Promoting gender equality, women empowerment, and related social welfare initiatives;
f) Protection and promotion of national heritage, art, and culture;
g) Rural development and community upliftment programmes;
h) Disaster relief, rehabilitation, and reconstruction activities.

1.5 Annual Spend / Allocation of Funds

a) The Company shall endeavour to spend, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, towards Corporate Social Responsibility ("CSR") activities, subject to the applicable provisions of Section 135 of the Act.

b) The administrative overheads incurred by the Company for the purposes of CSR shall not exceed five percent of the total CSR expenditure of the Company for any financial year, or such other limit as may be prescribed under applicable law from time to time.

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c) In the event the Company spends an amount in excess of the statutory requirement under Section 135(5) of the Act, such excess amount may be set off against the CSR obligation of the immediately succeeding three financial years, subject to compliance with the following conditions:

   i. The excess amount available for set-off shall not include any surplus arising out of CSR activities, if any; and
   ii. The Board of Directors shall pass a resolution authorising such set-off.

d) Any surplus arising out of CSR projects, programmes, or activities shall not form part of the business profits of the Company and shall be dealt with in accordance with the applicable provisions of law.

e) In case the Company fails to spend the required CSR amount, the Board shall, in its report prepared under Section 134(3)(o) of the Act, specify the reasons for not spending such amount and, unless the unspent amount relates to an ongoing project, transfer such unspent amount to a Fund specified in Schedule VII of the Act within six months from the expiry of the relevant financial year or within such period as may be prescribed.

f) Any amount remaining unspent in respect of an ongoing project undertaken pursuant to this CSR Policy shall be transferred by the Company, within thirty days from the end of the financial year, to a separate bank account to be designated as the "Unspent Corporate Social Responsibility Account" in accordance with the Act. Such amount shall be utilised within three financial years from the date of transfer, failing which the same shall be transferred to a Fund specified in Schedule VII of the Act within thirty days from the completion of the third financial year, or as otherwise prescribed under applicable law.

1.6 Location of CSR Efforts

The Company shall give preference to undertaking its Corporate Social Responsibility (CSR) activities in the local areas and regions where it operates or has a business presence, including the National Capital Region and Uttar Pradesh. While selecting geographical areas for CSR initiatives, consideration shall be given to community needs, socio-economic conditions, and the potential for sustainable social impact.

The Company may also undertake CSR projects in any other part of India, including in response to natural disasters or humanitarian emergencies, as may be approved by the Board of Directors.



2 CSR Committee

The CSR Committee, if constituted, shall comprise three Directors, as may be approved and appointed by the Board of Directors from time to time, in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

3. Planning, Implementation & Monitoring

3.1 The Board shall ensure that the CSR activities are undertaken by the company itself or through, –

a) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or

b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

c) any entity established under an Act of Parliament or a State legislature; or

d) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Explanation.- For the purpose of clause (c), the term "entity" shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.

3.2 Every entity, covered under 3.1 above, who intends to undertake any CSR activity, shall register itself with the Central Government.

3.3 the Company may collaborate with one or more companies for undertaking CSR projects, programmes or Activities, provided that the respective CSR Committees and/or Boards of such companies are in a position to separately monitor, account for and report on such projects or programmes in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

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Company shall undertake Impact assessment, if applicable, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Note: *Upon enforcement of the Income Tax Act, 2025, the corresponding provisions of the said Act shall mutatis mutandis apply and be deemed to have replaced the relevant provisions referred to herein.*

4 Disclosures and Reporting

i. This Policy as approved by the Board will be available on the Company's website i.e. gaurandnagi.com.

ii. Annual Report on CSR activities shall be included in the Board's Report as per the formats notified in the Act.

5. Limitation, Review And Amendment

In the event of any conflict between the provisions of this Policy and of the Applicable Law, the provisions of the Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy. The Board may review this Policy periodically and make amendments from time to time, as may be deemed necessary.

For Gaur and Nagi Limited

Chairman