



A Promise For Yarn

Art-Yarn Exports (India) Private Limited

(A Govt. Recognised Two Star Export House/Authorised Economic Operator)

9th Floor, 'C' Wing, Godrej Coliseum, Behind Everard Nagar, Sion-Trombay Road, Sion (East),
Mumbai 400 022, India. Tel : +91 22 40012600 / 40012659 Fax: +91 22 40012679

E-Mail: artyarn@powericaltd.com | Website: www.artyarnindia.com

CIN:U51494MH2004PTC147119|GSTIN: 27AAECA7916L1ZC| AEO : INAAECA7916L1F224

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (“CSR”) is the commitment of companies to provide resources and support activities focussed on enhancing economic and social development. It is the effort made by companies to improve the living conditions of the local area in which they operate and the society at large. The activities taken up as a part of corporate social responsibility reflect the intent to create a positive impact on society without seeking any commensurate monetary benefits.

Company’s objective is to pro-actively support meaningful socio-economic development. The Company works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life. Company aims to identify critical areas of development contributing to the well-being of the community and benefitting them over a period of time.

The Corporate Social Responsibility Policy (the “CSR Policy”) of Company sets out the framework guiding the Company’s CSR activities. The Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities.

1. SCOPE OF CORPORATE SOCIAL RESPONSIBILITY POLICY

The policy would pertain to all activities undertaken by Company towards fulfilling its corporate social responsibility objectives. The policy would also ensure compliance with Section 135 of the Companies Act, 2013 and the rules framed there under (the “Companies Act”).

2. OPERATING FRAMEWORK

2.1 CSR activities may be undertaken by Company.

2.2 Activities undertaken by Company may be implemented directly by the Company as well as through not-for-profit entities. Such entities and projects shall be supported after ascertaining the credibility of the agency and its track record in implementing projects. The entity shall generally have a track record of three years in implementing such projects. The CSR activities shall be given preference in the states of Maharashtra and Gujarat, where the Company has its operations

(a) The prescribed outlay on CSR will be as per the Companies Act and related rules as amended from time to time;



A Promise For Yarn

- (b) Key CSR activities proposed to be undertaken during the year, including analysis of their eligibility for classification as CSR under the Act and related rules as amended from time to time, their conformity with the CSR Policy and their implementation schedules;
- (c) Proposed outlay on each activity including expenditure on administrative overheads both directly and indirectly including employee costs;
- (d) Activities to be undertaken by other entities and Company's contribution to such entities; and
- (e) Aggregate proposed outlay and reasons for shortfall, if any, compared to the prescribed outlay.

2.3 Funds would be disbursed either in tranches or as one-time payment. The terms, conditions and timing of disbursement would be conditional upon the nature and requirement of the CSR project or programme.

3. DISCLOSURE

Company shall include in its annual report, the following information on CSR:

- (a) A description of contents of the CSR policy;
- (b) An overview of the CSR activities;
- (c) Average net profit for the preceding three financial years;
- (d) Prescribed CSR expenditure;
- (e) Details of amount spent in the prescribed format;
- (f) Amount unspent, if any, and reasons for not spending the amount; and
- (g) Responsibility statement of the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and CSR Policy.
- (h) Such other matters as may be specified from time to time for inclusion in the annual report.

4. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The projects or programmes to be undertaken by Company as CSR in India will be considered and approved by the Board. Any project or programme that is exclusively for



A Promise For Yarn

the benefit of Company's employees would not be considered as CSR Company's primary focus areas for CSR activities are:

(a) *Health care*

(Schedule VII (i) Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water; (iii) Promoting gender equality, empowering women, setting up measures for reducing inequalities faced by socially and economically backward groups; (x) Rural development projects; (xi) Slum area development)

The healthcare challenge in India spans a number of dimensions, including access to affordable healthcare for the poor; awareness of health issues & available facilities/ benefits among the less privileged segments of society and specific vulnerable sections of the population etc.

Addressing this challenge is essential to achieve the objective of inclusive growth. Company will directly focus on developing innovative models with the potential to scale up and bring about improvements in the delivery of healthcare to the marginalised sections of society. These will seek to enhance the availability of affordable healthcare to low income households and improve health seeking behaviour among low income and vulnerable groups. Company will also drive wellness and preventive healthcare apart from promoting access to health cover with the aim to reduce the incidence rates of specific hazards or events.

Company in association with non-profit organizations will target specific geographies and population segment in the health care ambit of CSR. The Company will concentrate on reducing malnutrition, diseases rates and promote awareness through continuous and planned intervention.

The Company will also pursue regular activities of health check-ups, provision of food, for municipal school students and other remote areas of the country as also other social initiatives towards health care.

The Company will support water management/rainwater harvesting, safe drinking water, sanitation and water for schools, improving agriculture productivity and livelihoods of small and marginal farmers, school renovations, development of community centres, community- led development for empowering citizens and strengthening institutions, life skills/digital literacy, awareness programs, promote sports, for rural development and slum area development.

(b) *Education*

(Schedule VII (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; "Consumer



A Promise For Yarn

Protection Services” - providing effective consumer grievance redressal mechanism; protecting consumer’s health and safety, consumer service, support and complaint resolution; consumer protection activities; consumer rights to be mandated; “all consumer protection programs and activities” on the same lines as Rural Development, Education etc.)

Education represents a critical area of action to realise India’s growth potential as also make it inclusive, by enabling citizens across population age groups to have access to quality education, digital accessories that equips them for taking up higher education or job-oriented skill training or provides them with requisite knowledge to improve their quality of life.

Company will continue to work with state governments and other not-for-profit organisations to improve the quality of education or perform facilitating programs in government and municipal schools, which account for the vast majority of school-going children in the country. Company will also continue to work with institutes of higher education for focused capacity-building in specified disciplines.

(c) *Skill development and sustainable livelihoods*

(Schedule VII (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)

Enabling India’s youth to gain skills that can provide employment is key to realizing the potential of India’s demographic dividend and driving inclusive growth. Improving employability of the youth from lower-income sections of society is hence an important focus area.

(d) *Support employee engagement in CSR activities*

Company supports the involvement of its employees in CSR activities. Company will encourage employees to participate in CSR activities of the Company. An ongoing initiative by the Company to involve employees in social initiatives is the ‘Caring Hands’ campaign where free health, eye check-ups are conducted for municipal school kids across the country.

(e) *Environment Sustainability, Animal Welfare*

(Schedule VII (iv)ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of



natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;

Company will provide support to initiatives for environmental sustainability, animal welfare, conservation of natural resources including contribution to funds set up by the Central Government.

(f) *Contribution to Central Government Funds*

(Schedule VII (viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women)

Company will contribute to Central Government funds for socio-economic development and welfare measures.

(g) *Other areas covered in Schedule VII*

Company will continue to provide support to specific needs such as during natural disasters, through financial as well as logistical support.

Company will also be open to and engage in activities in areas beyond the scope mentioned above if they are in alignment with the CSR focus of the Company.

Approved by Board of Directors at their meeting held on 20th October 2022