

## ANNEXURE - B TO THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company:

The CSR Policy encompasses the Company's philosophy for giving back to society as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. This policy is rooted in the Company's core values of quality, reliability and trust guided by the best practices and is driven by our aspiration for excellence in the overall performance of our business. It is framed to guide its strategic planning and provide a roadmap for its CSR initiatives, which is an integral part of overall business policy and aligned with its business goals. The Objective of the Company's CSR policy is driven by the intent to make a material, visible and lasting difference to the lives of disadvantaged sections of society and a sustained positive contribution to the welfare of society at large. In the conduct of its CSR intervention, the Company aims to act as a good corporate citizen and a socially responsible entity, identify the gaps and extend need-based contribution for the betterment of the society, contribute for the sustainable and holistic development of the underserved communities through various programs having multi-dimensional impact and generate community goodwill by making proactive interventions. The Policy would also ensure compliance with Section 135 of the Companies Act, 2013 and would include the activities as covered under Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

#### 2. The Composition of the CSR Committee: - Changes in Composition

As on 31.03.2023, the CSR Committee, comprising of two executive Directors and one Independent, who heads the Committee. The Committee met once during the year 2022-2023 viz., on 01.06.2022. The Company Secretary is the Secretary to the Committee.

S.No.	Name of the Director	Designation/Nature of Directorship	No. of Meeting of CSR Committee during the year	
			Held	Attended
1	Sri. Ramesh Krishnan (upto 18.10.2022)	Chairman, Non Executive - Independent Director	1	1
2	Smt. Mageswari Kannan	Member, Joint Managing Director	1	1
3	Sri. Sounder Kannan	Member, Whole-time Director	1	1
4	Sri. S. Neelakantan	Chairman, Non Executive - Independent Director	-	-

#### 3. Web-link of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The CSR Committee details is available in the website of the Company at <https://online.flippingbook.com/view/476253276/>

The CSR Policy and CSR Projects approved by the Board of Directors are disclosed on the website of the Company at <https://www.nagamills.com/Investors.html>

**4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable**

5. (a) Average net profit of the company as per sub-section (5) of section 135. - Rs. 13.67 Cr  
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. - Rs. 0.27 Cr  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - Nil  
 (d) Amount required to be set-off for the financial year, if any. - Rs. 0.27 Cr, which is to be set off against the excess spent over the obligation of FY 2020-21 i.e., (Rs. 1.40 Cr)  
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. - Nil
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). - Nil  
 (b) Amount spent in Administrative Overheads. - Nil  
 (c) Amount spent on Impact Assessment, if applicable. - Not Applicable  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. - Nil  
 (e) CSR Amount Spent or Unspent for the financial year:

Total Amount Spent for the financial year 2022-23 (in Rs.)	Amount Unspent (Rs. In Cr)				
	Total Amount transferred to Unspent CSR Account as per Sec 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Sec 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
Nil					

(f) Excess Amount for set off, if any: The excess amount for set off over the obligation for the FY 2020-21 is (Rs. 1.40 Cr). Obligation for the FY 2021-22 (being, 1st FY of setting off), Rs.0.33 Cr was set off from the aforesaid excess spent and Obligation for the FY 2022-23 (being, 2nd FY of setting off), Rs.0.27 Cr was set off from the aforesaid excess spent. Further the obligation for the FY 2023-24 (being, 3rd FY of setting off), would be set off from the aforesaid excess spent.

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.47
(ii)	Total Amount Spent for the Financial Year 2020-21	1.87
(iii)	Excess Amount Spent for the financial year 2020-21 (ii-i)	1.40
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	1.40

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.33
(ii)	Total Amount Spent for the Financial Year 2021-22	0.67
(iii)	Excess Amount Spent for the financial year 2021-22 (ii-i)	0.34
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	0.34

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.27
(ii)	Total Amount Spent for the Financial Year 2022-23	-
(iii)	Excess Amount Spent for the financial year (ii-i)	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	-

7. Details of Unspent CSR Amount for the preceeding three financial years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No Capital assets have been created or acquired through CSR amount spent in the Financial year.

9. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5) of the Act: Not Applicable

**FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS**

**K.S. KAMALAKANNAN**  
Chairman and Managing Director  
DIN: 01601589

**S. NEELAKANTAN**  
Chairman - CSR Committee  
DIN: 01474064

Place : Dindigul  
Date : 30<sup>th</sup> June, 2023