



FORTUNE STONES LTD.

QUARRY OWNER | GRANITE EXPORTS



FORTUNE STONES LIMITED

**CORPORATE SOCIAL
RESPONSIBILITY POLICY**

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PREAMBLE

Fortune Stones Limited (hereinafter referred to as "FSL" or "the Company") is a joint venture entity with M.P. State Mining Corporation Limited (**hereinafter referred to as "MPSMCL"**), wherein MPSMCL holds 20% of the total shareholding. FSL specializes in mechanized granite mining, cutting, and polishing operations within the state of Madhya Pradesh.

Since its inception, FSL has evolved to become one of the largest producers of red granite in Northern India, boasting an annual production capacity exceeding 60,000 cubic meters. The Company's flagship mines are strategically located near Khajuraho, in the Chhatarpur district of Madhya Pradesh.

FSL recognizes that sustainable business growth encompasses not only economic performance but also environmental stewardship and social responsibility. The Company is committed to contributing to the sustainable development of society and the environment, ensuring a better planet for future generations. This commitment is realized through direct initiatives and collaborations with implementation agencies.



OBJECTIVES

The primary objectives of FSL's Corporate Social Responsibility (CSR) policy are to:

- Enhance the quality of life in communities surrounding our mining operations.
- Foster sustainable development in areas adjacent to our mines, with a focus on healthcare, education, and social upliftment.
- Promote economic growth that generates positive societal impact while minimizing environmental footprint.
- Uphold corporate accountability by proactively addressing social challenges, particularly in the realms of poverty alleviation, education advancement, healthcare improvement, and community development.

These objectives reflect our commitment to responsible business practices and sustainable development, aligning our corporate goals with the welfare of the communities we serve.

TARGET SECTOR

In compliance with the Companies Act, 2013, the CSR Committee of FSL will focus its efforts on the following key areas:

a) Health and Wellness:

- Eradicating hunger, poverty, and malnutrition
- Promoting healthcare, including preventive health measures and sanitation
- Ensuring access to safe drinking water

b) Education and Skill Development:

- Advancing education and enhancing vocational skills
- Focusing on children, women, the elderly, and differently-abled individuals
- Supporting livelihood enhancement projects

c) Social Equity and Empowerment:

- Promoting gender equality and women's empowerment
- Establishing support facilities for women, orphans, and senior citizens
- Implementing measures to reduce socio-economic inequalities

d) Environmental Sustainability:

- Ensuring environmental sustainability and ecological balance
- Protecting flora and fauna, and promoting animal welfare
- Conserving natural resources and maintaining environmental quality

e) Cultural Heritage:

- Protecting national heritage, art, and culture

f) Support for Armed Forces:

- Implementing measures to benefit armed forces veterans, war widows, and their dependents.

g) Sports Development:

- Providing training to promote rural and nationally recognized sports

h) Research and Innovation:

- Contributing to incubators or research projects in science, technology, engineering, and medicine
- Supporting public-funded universities and government-sponsored research initiatives

i) Rural Development:

- Undertaking projects for rural development and infrastructure improvement

j) Urban Development:

- Supporting the development and improvement of slum areas

k) Disaster Management:

- Engaging in disaster relief, rehabilitation, and reconstruction activities

These focus areas align with national priorities and aim to create sustainable, positive impact in our areas of operation and beyond.

GEOGRAPHIC FOCUS OF CSR INITIATIVES

Fortune Stone Limited (FSL) prioritizes its CSR efforts as follows:

1. Primary Focus: Chhatarpur district, Madhya Pradesh, where our mines are located.
2. Secondary Focus: Other regions in Madhya Pradesh and select areas across India.

While FSL may undertake CSR activities nationwide, our preferred area of intervention remains the Chhatarpur district. This approach ensures maximum impact in communities directly affected by our operations while allowing flexibility to address needs elsewhere when appropriate.

VISION

FSL recognizes its role as a responsible corporate citizen extends beyond profit-making. We are committed to:

- Contributing to societal welfare
- Undertaking sustainable development initiatives
- Implementing socially and economically beneficial programs

This vision will be realized through direct efforts and collaborations with implementation agencies, aiming to create lasting positive impact in our communities and society at large.

COMPOSITION OF CSR COMMITTEE

In compliance with the Companies Act, 2013 and its associated rules, the Board of Directors has established a CSR Committee comprising:

- Mrs. Ruchika Bharadwaj, Chairperson
- Mrs. Kamla Bharadwaj, Member
- Mrs. Shubhra Banerjee, Member

This committee oversees the implementation and monitoring of FSL's CSR initiatives.

RESPONSIBILITIES OF CSR COMMITTEE

The CSR Committee is tasked with:

- Formulating and recommending the CSR Policy and annual budget
- Regularly monitoring and updating the CSR Policy
- Proposing CSR projects aligned with Schedule VII activities
- Overseeing implementation and monitoring of CSR initiatives

These responsibilities ensure effective planning, execution, and oversight of FSL's CSR activities.

GOVERNANCE

FSL may implement CSR initiatives through:

1. Direct execution
2. Collaboration with implementation agencies

When engaging third-party agencies, the CSR Committee will ensure:

- Credibility and relevant experience of the agency
- Proper filing of required forms for funding eligibility

This approach allows for flexible and effective implementation of our CSR policy while maintaining appropriate oversight and due diligence.

ALLOCATION OF CSR FUNDS

In compliance with Section 135 of the Companies Act, 2013:

- FSL will allocate at least 2% of its average net profit from the last three financial years for annual CSR activities.
- Any unspent amount related to ongoing projects will be transferred to a designated bank account within 30 days of the financial year-end.
- This amount must be utilized within 3 financial years from the transfer date.
- If unused after 3 years, the funds will be transferred to a Schedule VII-specified Fund within 30 days.

This ensures proper allocation and utilization of CSR funds in accordance with legal requirements.

CSR REPORTING

To comply with regulatory disclosure requirements, FSL will:

1. Disclose CSR Committee composition in the Board Report
2. Include an annual CSR activities report in the Board Report, containing:
 - Brief outline of CSR Policy
 - Average net profit for last 3 financial years
 - Prescribed CSR expenditure
3. Provide reasons for unspent amounts, if applicable
4. Display CSR Policy content on the company website

These measures ensure transparency and accountability in our CSR initiatives.

POLICY AMENDMENTS

The CSR Policy may be amended by the Board of Directors upon recommendation from the CSR Committee.

This ensures the policy remains adaptable to changing needs and regulatory requirements.