

MAFFFL CSR POLICY

1. BACKGROUND

With effect from April 1, 2014, every company, private limited or public limited, which either has a net worth of Rs 500 crore or more or a turnover of Rs 1,000 crore or more or net profit of Rs 5 crore or more, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. The CSR activities should not be undertaken in the normal course of business and must be with respect to any of the activities mentioned in Schedule VII of the 2013 Act.

2. MAFFFL CSR VISION

To pursue vision of MAFFFL by addressing social concerns and making positive change in the lives of stakeholders and communities through CSR programme and social initiatives.

3. OBJECTIVE

The main objective of CSR policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

4. DEFINITIONS

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act, 2013 including any modifications, amendments or re-enactments thereof.
2. "Board" or "the Board" means, the Board of Directors of the Company.
3. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modification, amendments or re-enactment thereof.
4. "Financial Year" shall mean the period beginning from 1st April every year to 31st March of the succeeding year.
5. "Agency" or "Agencies" shall mean: -
 - (a) a company established under section 8 of the Act or a registered trust or a registered society, 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 any entity established under an Act of Parliament or a State legislature:

Provided that- if the CSR activities undertaken through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified in above (a) and (b) then such company or trust or society shall have an established track record of three years in undertaking similar programs or projects; and the company has specified the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

6. "The Committee" or "CSR Committee" shall mean the Corporate Social Responsibility Committee as constituted or reconstituted by the Board of Directors of the Company, from time-to-time, in accordance with the Act and the Rules made thereunder, comprising of three or more Directors.
7. "CSR Policy" shall mean the Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company including those specified in Schedule VII of the Act and the CSR Expenditure thereon.
8. "CSR Activities" shall mean Corporate Social Responsibility activities/ programs /initiatives /green belt/ Environment Protection / Ecological balance etc. either new or ongoing, at and around Corporate Office, project office of the Company, its subsidiaries and associates wherever located, including but not limited to those recommended by the CSR Committee and approved by the Board.
9. "CSR Expenditure" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following:
 - I. Contribution to CSR activities which shall be implemented and /or executed by the Company.
 - II. Contribution to CSR activities which shall be implemented and/or executed by the Company or through any other Agency or Agencies.
 - III. Any other contribution covered under Schedule VII to the Act.
10. "Trust" shall mean a trust formed and registered under the Indian Trust Act, 1882 and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board, in compliance of the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014 of the Companies Act, 2013, had constituted Corporate Social Responsibility Committee at the Board Meeting held on January 27, 2016 with following Directors as Members of the First Committee:

1. Mr. Sanjay Khanna
2. Mr. P M Mohan
3. Mr. R Rajamani
4. Mr. B Ravindran

CSR Committee to, inter-alia, carry out following functions:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- c. To monitor the CSR policy of the Company from time to time;
- d. To monitor the activities and expenditure made during year;
- e. 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.

6. CSR ACTIVITIES

Schedule VII to the Companies Act, 2013 specifies activities which a Company is required to undertake. MAFFFL may undertake any activities specified under said schedule VII. Currently MAFFFL will focus to support and implement following activities as our thrust area:

I. GYAN (PROMOTING EDUCATION & SKILL ENHANCEMENT):

- a. Renovation of existing school buildings;
- b. Providing furniture, electrical appliances, lab instruments, water purifiers, books, stationaries to Govt. schools;
- c. Providing education and training for Divyang;
- d. Setting up and running of skill development centers;
- e. Imparting Vocational Training, Skill Training and placement assistance programmes.

II. PRAKRUTI (ENVIRONMENTAL SUSTAINIBILITY):

- a. Providing electricity through solar power to the areas in the vicinity of Project sites;
- b. Tree Plantation.

III. AROGYA (HEALTH CARE):

- a. Control of prevalent diseases and improvement in primary health access;
- b. Organise Medical health check-up camps, Blood donation camps etc;
- c. Assistance to organisations/Agencies providing support & care to people with life threatening diseases;

- d. Assistance to organisations/Agencies providing support & care for elderly persons.

IV. UTKARSH (LIVELIHOOD ENHANCEMENT):

- a. Undertake community need based projects that improve quality of life and promote local community development;
- b. Distribution of Equipments for Divyang;
- c. Construction of sanitized toilets.

V. YOGDAAN (CONTRIBUTION):

- a. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- b. Contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- c. Contribution to the Swach Bharat Kosh set-up by the Central Government.

7. FUNDING AND IMPLEMENTATION

In alignment with the Companies Act, 2013, at least 2% of the average of net profits of the company made during the three immediately preceding financial years shall be earmarked as CSR Budget.

CSR Committee will ensure that the amount earmarked for CSR activities is spent for the identified CSR activities either directly by itself or through Agencies. The Committee will periodically identify the CSR activities, budget, planned expenditure and implementation schedule etc.

The annual planned expenditure for the CSR activities and manner of implementation etc. after review and consideration by the CSR Committee, shall be submitted for approval of the Board in the following format:

Sr. No.	CSR Activities	Schedule of Implementation	Annual Budget	% of allocation

Mainly, CSR activities will be carried out directly or indirectly at the corporate office, preferably in and around the areas of the projects of the Company. The CSR activities will be carried out/implemented, directly by itself or indirectly through Agencies. The Company has an option to spend such statutory minimum amount through one or more Agencies.

The Company shall endeavour to spend the entire amount of statutory minimum contribution limit in a given Financial Year. However, if the Company is unable to do

so, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134 (3)(o) of the Act.

8. MONITORING

- a. The CSR Committee shall meet at least twice in a year to monitor the implementation of CSR plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the Company's website.
- b. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.
- c. The Company Secretary of the Company shall assist the CSR activities and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.
- d. Utilization Certificate with statement of expenditure duly certified by an Authorized Auditor will be submitted by the Agencies to whom CSR fund is allocated.

9. AMMENDMENDS

The Board of Directors of the Company, may at the recommendation of the CSR Committee or otherwise, is entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the CSR Committee in line with the broad intent of the Policy and in consultation with the Board of Directors.

The Policy shall stand amended in case of any statutory modifications of amendments in the Act or Rules pertaining to CSR to the extent of such amendment.
