

MEGHMANI FINECHEM LIMITED'S
CORPORATE SOCIAL RESPONSIBILITY
POLICY

Effective from 17th February, 2015
&
Amended from 20th May, 2021

Corporate Social Responsibility (CSR) Policy

Our CSR Vision

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

Our CSR Mission

1. Ensuring socio-economic development of the community through different participatory and need- based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become *SELF-RELIANT* and build a better tomorrow for themselves.
2. Ensuring environmental sustainability through ecological conservation and regeneration, protection & re growth of endangered plant species, and promoting biodiversity.

Our Activities

The CSR activities we pursue will be in line with our stated Vision and Mission, focused not just around our plants and offices, but also in other geographies based on the needs of the communities.

1. To direct CSR Programmes, inter alia, towards achieving one or more of the following –
 - ⇒ enhancing environmental activity and natural resources;
 - ⇒ supporting rural development;
 - ⇒ promoting education by setting up school, colleges and hostels ;
 - ⇒ providing preventive healthcare;
 - ⇒ providing sanitation and drinking water;
 - ⇒ creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India;
 - ⇒ preserving and promoting sports;
 - ⇒ to carry out social and cultural activity to uplift standard of living of under privileged
2. To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social, economical and educational development;
3. To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
4. To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;

5. Any of the activities as specified in Schedule VII of the Companies Act, 2013.

Implementation

To implement the Company's CSR Programmes through Company personnel or through external implementing agencies like a registered trust, registered society or a company established under section 8 of the Companies Act, 2013 from time to time. In such cases, the Company will specify the CSR Programmes which may be undertaken by those Trusts in accordance with their Objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memoranda and Articles of Association.

Governance

1. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
2. The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit.
3. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct.
4. The CSR Committee shall review the implementation of the CSR Programmes once a year and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
5. Once in a year the CSR Committee will provide a status update to the Board on the progress of implementation of the approved CSR Programmes carried out during the period. It shall be the responsibility of the CSR Committee to review such reports and keep the Board apprised of the status of implementation of the same.

CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan.

Moreover, any surplus remaining from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure

Our approach to implementation

We will strive to implement the aforesaid CSR activities on our own to the extent possible. At the same time, we recognize need to work in partnership with other players also. This would include:

1. Collaborating with various organisation, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialise in the aforesaid activities.
2. Contribution to various funds which are aligned with our Vision and Mission e.g.
 - Prime Minister's National Relief Fund
 - Any other fund set up by the Central Government for :
 - Socio-economic development and relief.
 - For the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.
3. Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

CSR Funds

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
- Surplus arising out of CSR activities carried out by the company and such surplus will not be part of business profit of the company.

The Net Profit means net profit as per its financial statement 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 provisions of section 135 of the Act.

Monitoring

The Board of Directors has formulated CSR committee consisting of Four members who shall be responsible for monitoring the CSR activities of the Company. The Chairman of Committee is an independent Director. The present CSR Committee comprises of:

1. Shri Manubhai Patel
2. Shri Maulik Patel
3. Shri Kaushal Soparkar
4. Shri Ankit Patel

The members of CSR Committee may delegate their powers to such other directors/officer of the Company whom they think are capable of spending the CSR amounts in the activities listed as CSR activities.

The review report on the CSR activities undertaken by the Company shall be placed before the Board of Directors periodically and yearly report shall be approved by the Board of directors in their meeting. MOL shall also include separate reporting in the Annual Report on the implementation of CSR activities / projects.

Appropriate documentation of the MOL CSR Policy, annual CSR activities, executing Partner and expenditure entailed will be undertaken on a regular basis and same will be reported in the Annual Report of the Company.

Reporting of CSR Activities

The report on CSR will be included in the Board's Report and same will be signed by the Chairman / Director as well as Chairman of the CSR Committee.

The CSR Committee or any other person so authorized by such committee can anytime inspect all the activities and report the same to the Board of Directors for their information, record and further actions.

Information dissemination

The Company's engagement in this domain is disseminated on its website, annual reports, its house journals and through the media.

General

Any or all provisions of the CSR policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued from the Central/State Government from time to time.

The Board of directors of the Company reserves the right to review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable Modifications, as may be necessary.
