



**CORPORATE SOCIAL RESPONSIBILITY (CSR)
POLICY**

MANGALAM ORGANICS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

OBJECTIVE

Mangalam Organics Limited (hereinafter referred to as 'the Company') CSR objectives are based on the embedded tenets of trust, fairness and care and shall be based on the below keystones.

- the Company shall actively initiate projects and/ or participate in projects to improve the life of people living near its manufacturing facilities;
- the Company will strive to provide vocational training to improve skills of people in the primarily unorganized sector;
- the Company commits to creating social value and also allow individual employees to contribute in the various programs; and
- the Company shall manage its operations using principles of Sustainable development to minimize impact on environment and protect health & safety of our employees, service providers, neighbouring communities and customers.

CSR COMMITTEE AND ITS COMPOSITION

The Board of Directors has constituted the CSR Committee. The CSR Committee shall always include at least one independent Director and have a total strength of at least three directors. An outgoing member of CSR Committee shall be replaced by another member of the Board.

CSR COMMITTEE MEETINGS

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities but not less than once in a year.

SCOPE AND APPROACH

The CSR initiatives undertaken by the Company so far have been in the areas of education and basic healthcare.

Going forward, the Company would continue to carry our CSR activities as it has been carrying out over the years in the areas of education and healthcare. In particular, the Company will undertake CSR activities as specified in Schedule VII to the Companies Act, 2013 (including any amendments to Schedule VII and any other activities specified

by the Government through its notifications and circulars), hereinafter referred to as **'the Act'**.

These activities when measured will stand testimony to the Company being a responsible & caring organization.

The CSR Committee has identified, but not limited to, the following thrust areas, around which the Company shall be focusing its CSR initiatives and channelizing the resources on a sustained basis:

- **Education:** In education we aspire to contribute towards promoting education including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. Improving and facilitating the literacy levels in various sections of the society, by providing support at every stage of a child's educational cycle including but not limited to developing infrastructure for schools/ educational centers, conducting education programs on "how to lead to a healthy life", engaging with students and parents leading to development of a better community, livelihood enhancement projects, etc.
- **Enhancing Vocational Skills:** In the area of vocational training, we aspire to provide specialized and skill based training to freshers, to enhance their skills, empower them, provide opportunities, enhance their ability take better employment and better livelihood.
- **Health & Hygiene:** In healthcare we aspire to deliver facilities to communities and other sections of the society in the form of primary health care support through diagnosis and treatments, promoting preventive healthcare, building awareness about sanitation and providing monetary support, setting up and managing rehabilitation centers, medical camps, creating awareness through various programs, etc.

The CSR areas highlighted in this policy shall be monitored and reviewed by the Management, CSR Committee and the Board of Directors (Board) from time to time. All CSR Initiatives/projects/programs/activities are and will continue to fall under the purview of Schedule VII to the Act. The CSR Committee may include any other areas falling within the Schedule VII of the Act (and amendments thereto) from time to time.

The CSR initiatives as stated aforesaid will be ongoing initiatives of the Company and are proposed to be implemented on a continuous basis subject to review and monitoring by the CSR Committee and Board.

The approach of the Company shall be based on the following principles:

- CSR initiatives to focus on the areas around where the Company has its presence and operations.
- CSR initiatives to create awareness amongst employees and encourage involvement of employees in the CSR initiatives. To build programs that has internal participation.
- Company is committed to acquiring/ obtaining/ providing the expertise required to carry out the above activities and engage with any agencies of repute, if the need arises. The CSR committee would evaluate proposals for engagement and approve based on its merit.
- Company to actively participate in the CSR initiatives through structured programs and projects. The involvement of the Company shall be more towards participation on the ground rather than only administering the expenditure.
- Have an internal structure to implement the CSR philosophy of the Company under supervision of CSR Committee and the Board.

PARTNERSHIPS:

Collaborative partnerships shall be formed with the internal as well as external stakeholders who shall include the Government, the village panchayats, NGOs, the District Authorities and other likeminded stakeholders. The Company may join hands with external experts and organizations with an established track record of at least 3 years who have done work or are capable of doing work in the areas identified by the Company as CSR initiatives. The Company may also collaborate with other companies for undertaking projects or programs or CSR activities.

ANNUAL ALLOCATION FOR CSR ACTIVITIES

The CSR Committee will recommend the amount of expenditure to be incurred by the Company on CSR activities. The basis for such recommendation will be the profits of the Company and the percentage prescribed under the Act. Despite allocation of funds to be spent as above, the Company may not spend the amount so allocated and specify the reasons for not spending such sums in the Board's Report.

The Company may undertake the CSR activities either directly or participate through other implementing agencies in accordance with the Act, over which the Company will have complete oversight.

The surplus arising out of the CSR projects or programs or activities shall not form part of business profit of the Company.

MONITORING/ REVIEW MECHANISM

Structure: In-house structure for roll out and implementation of the CSR activities will be in place. The CSR activities shall be centrally monitored by the Management.

Review and Monitoring mechanism: The following three step Review Mechanism shall be followed for the CSR initiatives, which shall ensure a top down review and delivery.

- The Management shall in consultation and through supervision of the CSR Committee submit quarterly reports of projects undertaken on CSR to the MD & CEO of the Company in the format specified under the Act.
- Regular audits of the amount spent on CSR initiatives shall be carried on by the Internal Audit Function of the Company and report/ observations shall be forwarded to hierarchy for their review.
- The CSR Committee shall be responsible for overseeing the planning, coordination and implementation of CSR activities and compliance of the same shall be reported to stakeholders through the Company's Annual Report on CSR.

AMENDMENTS TO THE POLICY

The Company is committed to continuously reviewing and updating our policies and procedures. Therefore, this policy is subject to modification. Any amendment of any provision of this policy must be approved in writing by the Company's Board as per the recommendations of the CSR Committee and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment.

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