

## CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

MANAKSIA LIMITED

### FRAMED UNDER SECTION 135(3) (a) OF COMPANIES ACT, 2013

The Board of Directors (the “Board”) of Manaksia Limited (the “Company”) had initially adopted the Corporate Social Responsibility Policy (the “Policy”), as required in terms of Section 135(3)(a) of the Companies Act, 2013 (“Act”) read with rules made thereunder (the ‘Applicable Law’) on 14.02.2015 as amended from time to time. Considering the recent amendments made in Section 135 of the Act vide the Companies Amendment Act, 2019 and the Companies Amendment Act, 2020 along with changes in the Rules vide the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“Rules”), the Policy has been further amended.

#### I. INTERPRETATION

For the purposes of this Policy references to the following shall be construed as:

1. “Administrative Overheads” shall mean the expenses incurred by the Company for ‘general management and administration’ of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
2. “Corporate Social Responsibility” (“CSR”) shall mean the activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act and in accordance with the provisions contained in the Rules made thereunder, but shall not include the following or any other activity specifically prohibited by the Policy, namely:
  - (i) activities undertaken in pursuance of normal course of business of the Company;
  - (ii) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
  - (iii) contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
  - (iv) activities benefitting employees of the company as defined in Clause (k) of Section 2 of the Code on Wages, 2019;
  - (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
  - (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India.
3. “Corporate Social Responsibility Committee” or “CSR Committee” shall mean a Committee consisting of atleast three Directors, one of whom shall be an Independent Director.
4. “CSR Policy” means a statement containing the approach and direction given by the Board of the Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;

5. "CSR Unspent Account" shall mean an account opened by the Company with a schedule commercial bank in terms of sub-section (5) of the section 135 of the Act;
6. "Net Profits" shall mean the net profit before tax of the Company as per its financial statements prepared in accordance with the applicable provisions of the Companies Act, 2013 but shall not include the following, namely :-
  - a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
  - b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013.
7. "Ongoing Projects" shall mean multi year project undertaken by the Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board on the recommendation of the CSR Committee on reasonable justification.
8. "Priority Projects" shall mean such CSR projects which are selected by the CSR Committee to be pursued by the Company within the territory of India.
9. "Total CSR Spend" shall mean atleast 2% of the average Net Profits of the last three immediately preceding financial years in relation to the financial year in question.

## II. GUIDING PRINCIPLES

The Company") and its people are committed to society, ecology and environment. The Company also realises that caring for the society, country and the planet is not philanthropy or generosity- it is the very way of doing sustainable business. The Company realises that by following the CSR Policy it is only being relevant and meaningful to the society of which we are a corporate citizen.

**Vision:** The CSR Committee's Vision is "improving lives in pursuit of collective development and environmental sustainability". This vision should encompass all CSR activities of the Company.

**Mission:** The CSR Committee's Mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities. Within the above mission, the CSR Committee will choose Priority Projects from time to time.

The objective of this Policy is not only to guide the Company and its people to indulge in social activities but also to integrate the business processes with social processes. The Company believes that CSR Policy is the Company's faith in socially inclusive and sustainable business as the way of doing business.

## III. GENERAL POLICIES

The Company recognises that good CSR embraces all aspects of sustainable development and the way the Company affects people through its business operations. The Company recognises that CSR is not all about spending- it is orientation of the Company and its people to larger social causes. The Company encourages its people to contribute to its CSR efforts in every possible way.

The policies to be pursued by the CSR Committee are as follows:

**General business policies:**

1. The Company realises that one of most important parameters for a socially responsible corporate citizen is to carry business in accordance with the principles of sustainability, balance and equity. The Company will always strive to align its business interests with those of the society in general, ecology and environment. The Company further encourages any stakeholder or any member of the public to make thoughtful suggestions, addressed to Chairperson of the CSR Committee, for sustainable business practices.
2. The Company shall strive to enhance corporate value while achieving a stable and long – term growth for the benefit of stakeholders.
3. The Company respects and honours the human rights of people involved in its business and, in particular, does not use or tolerate any form of forced or child labour.

**CSR Expenditure:**

1. The Company shall, in each financial year, spend a minimum amount of 2% of the average net profits made during three immediately preceding financial years or such higher amount as may be recommended by the CSR Committee and approved by the Board of Directors of the Company.
2. Pursuant to Rule 7(1) of the Amendment Rules, administrative overheads shall not exceed 5% of the total CSR expenditure of the Company for the financial year or such limit as prescribed under the Applicable Law.
3. In case the Company fails to spend such amount or spends in excess, the unspent amount or the excess amount respectively, shall be dealt with in accordance with the Act and Rules and requisite explanation shall be provided in the Board's Report. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be dealt with in accordance with the Act and CSR Rules.
4. The CSR Committee would be authorized for sanctioning the amount for any specific activity/initiative within the overall approved ceiling limit and/or to delegate authority from time to time to CSR Working Committee to allocate amount for any such specific activity within the approved ceiling limit.
5. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be dealt with in accordance with the Act and Rules.
6. Where the CSR amount spent resulted or results in creation or acquisition of a capital asset, it shall be treated in a way as prescribed in the Rules.

**CSR Projects:**

1. The Company shall give preference to the local area and areas around it where it operates for spending the amount earmarked for Corporate Social Responsibility activities.
2. The Company may engage international organisations for designing of the CSR projects or programmes as well as capacity building of the personnel for CSR.
3. The Company will encourage voluntary efforts of its directors and employees to CSR

Projects. The Company also encourages its directors and employees to recommend to the CSR Committee meaningful projects in accordance with the Guiding Principles that may be taken up by the Company, under the supervision of the CSR Committee.

4. In addition to Projects that may be taken up by the Company directly, the Company may also collaborate with other companies or entities, including its group companies, to carry out any CSR Projects, in accordance with this Policy.
5. The investment in CSR projects shall be project – based with specific timeframes.
6. As far as possible, the Company shall strive to create self – sustainability in its CSR efforts, that is to say, over a long run, a CSR Project should be able to generate sufficient resources, whether by way of profits or by way of a regular flow of contributions, so that it does not have to depend on the Company’s contribution on a regular basis.
7. The progress of all CSR Projects, including the spending thereon, shall be periodically reviewed by the CSR Committee.

### **Priority Projects**

The Company has currently identified the following Priority Projects to be undertaken by the CSR Committee–

- a) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- b) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- c) rural development projects.

Other Priority Projects as may be reviewed and included by CSR Committee, from time to time, in line with provisions of the Act and in line with the emerging societal circumstances and in consideration of changing national priorities of the government.

Notwithstanding the listing of the Priority Projects, the CSR Committee may undertake CSR Projects which are relatable to the activities as stated in Schedule VII of the Companies Act, 2013 (also stated in Annexure I herein) by taking a liberal interpretation so as to capture the essence of the subjects enumerated in the said Schedule.

### **Manner of selection and execution of CSR Projects:**

1. A CSR Project may be selected by the CSR Committee, either based on its own discretion, or based on recommendations by any stakeholder as mentioned above. The CSR Committee will accord priority to projects in the areas covered by Priority Projects.
2. The CSR Committee, after identifying and approving a CSR Project, may fix a target spending, and direct the CSR Cell to carry out the execution thereof.
3. The CSR Committee shall periodically monitor and evaluate the performance of the Projects and the achievement of targets.

### **Carrying out of CSR Projects through external agencies**

In case the CSR Committee decides to execute a CSR Project through an external agency, as covered under Rule 4(1) of the Rules (“Implementation Agency”), it would adhere to the following guiding principles:

1. The Implementation Agency must be eligible for carrying the CSR Project, and must have track record in carrying similar project for a period to the satisfaction of the Committee, but not less than 3 years. Subject to the above, any director of the Company may be associated / affiliated as a trustee, governing body member or in any other manner with the Agency, provided that no personal benefit, directly or indirectly, should flow from such Agency to any such director.
2. The Committee shall provide specific Project agenda, targets, target spending, accomplishments, manner of execution etc., to the Agency, subject to discussions with the Implementation Agency.
3. The disbursement of funds to the Implementation Agency must be done on a progressive basis so as to align with the funding needs of the Project, and to permit the evaluation of the activity carried so far.
4. The Implementation Agency must provide periodically reports, to the satisfaction of the Committee, about execution of the Project.
5. Board of the Company shall ensure that the CSR activities are undertaken by the Company directly or in collaboration with other companies or through any implementation agencies eligible under the Rules to implement CSR activities.
6. The implementing agency, engaged by the Company, should be covered under Rule 4(1) of the Rules and registered with Central Government.
7. Company shall ensure that implementation agency have a unique CSR Registration Number.
8. The implementing agency should be credible and should have the ability to execute the project or programme effectively. The disbursement by the Company to the implementing agency should be made only upon receipt of proposal along with budget and implementation schedule, and in tranches in order to ensure that the amount does not lie unspent with the implementing agency.
9. The Board of the Company shall satisfy itself that the funds so distributed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer of the Company shall certify to that effect.
10. In case of ongoing projects, the Board of the Company shall monitor implementation of the projects with reference to the approved timelines and year wise allocation and shall be competent to make modifications for smooth implementation of the project within overall permissible time period.
11. Where the Company collaborates with other companies for undertaking projects or programmes or activities, the CSR Committee of the Company shall be in a position to report on such projects or activities or programmes separately in accordance with the Rules laid down under the Act.

1. The Company, along with pursuing CSR projects at its own, will also constitute a CSR Cell consisting of a specified number of whole time employees of the Company, as decided by the CSR Committee or the Board of Directors, who, in addition to their regular duties, will come forward to contribute to the Company's CSR initiatives.
2. The CSR Cell would further be actively involved in implementation of projects in accordance with the Guiding Principles and General Policies as consented by the CSR Committee.
3. The CSR Cell may work singly or in partnership with any eligible trust(s) including but not limited to NGO(s) or other organisation(s), as approved by the CSR Committee.

#### **IV. MONITORING, EVALUATION AND IMPACT ASSESSMENT**

1. There shall be regular monitoring and reporting of progress from the CSR Cell or implementing agencies responsible for implementing those projects. In case of ongoing project, the monitoring shall be with respect to implementation of the project with reference to approved timelines and year-wise allocation.
2. The implementing agencies, shall keep the Company informed about any information or circumstances that will affect the ability of the agency to carry out the CSR project or programme. Where the CSR amount spent results or resulted in creation or acquisition of capital asset, the Company shall confirm to the CSR Committee about the entity holding the capital asset in accordance with the Rules.
3. The representatives of the Company and/or CSR Cell shall carry out site visits/ field visits on a periodic basis. The Company shall carry out impact assessment, either directly or by engaging independent agency, in accordance with the Act and Rules.
4. The CSR Committee shall review the progress reports received from the Company and implementing agencies. The CSR Committee shall satisfy the Board on the utilization of the funds disbursed for the purpose and in the manner approved by it.
5. The outcome of impact assessment and progress reports submitted, will be taken into consideration while engaging the implementation agencies for subsequent CSR projects and programmes and while finalizing the annual action plan for the subsequent year.
6. The Committee shall discuss the progress of each project undertaken and make any decision with respect to the project which it thinks fit.
7. At least one member of the Committee shall have financial knowledge and ability to read financial statements.
8. Where, the Committee requires further funds for undertaking any new CSR project, the Committee shall request the Board of the Company to approve such higher amount.
9. The Committee will review the Policy from time to time based on changing requirements of the target beneficiaries and make such modification(s), as may be necessary subject to approval of the Board of Directors of the Company.

#### **V. REPORTING AND DISCLOSURES**

The CSR Committee shall report to the Board of the Company. The Composition of the CSR Committee, CSR Projects approved by the Board and this Policy shall be disclosed on the website of the Company, for public access.

#### **VI. AMENDMENTS**

Amendments from time to time to the CSR Policy, if any, shall be considered by the Board of Directors of the Company, based on the recommendations of the CSR Committee. This

Policy has been made as per the provisions of the Companies Act, 2013 and the rules made thereunder ('Applicable law'). Any amendments in the Applicable Law, including any clarifications/ circulars of relevant regulator, if mandatory, shall be read into this Policy such that the Policy shall automatically reflect the contemporaneous applicable law at the time of its implementation.

**For Manaksia Limited**

**Date:**

**Place: Kolkata**

**Authorised Signatory**

## ANNEXURE - I

List of activities that may be taken up by the Company as their Priority Projects –

- a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set – up by the Central Government for the promotion of sanitation and making available safe drinking water;
- b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
- e. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- g. Training to promote rural sports , nationally recognized sports, Paralympic sports and olympic sports;
- h. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
- i. Contributions to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in



conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

j. Rural development projects;

k. Slum area development;

*Explanation – For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.*

l. Disaster management, including relief, rehabilitation and reconstruction activities;

m. Such other projects or purposes as may be notified by the Government from time to time