



Maral Overseas Limited

Corporate Social Responsibility Policy

“Corporate Social Responsibility (CSR)” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Companies Act, 2013 and rules made thereunder.

Definitions

Administrative overheads” means 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;

“**CSR Committee**” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

“**Ongoing Project**” means a multi-year project undertaken by a Company in fulfilment 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 based on reasonable justification.

“**Net Profit**” means the net profit of a company 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 the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act.

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

The CSR Policy of Maral is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the Company

Plant Locations:

Maral Sarovar, V & PO, Khalbujurg, Tehsil Kasrawad Distt. Khargone, M.P., India	A-11, Hosiery Complex, Phase II Extension, Noida 201305 U.P., India	D-347, Sector-63, Noida (U.P.)	12/4, Sector-37, Main Mathura Road, Faridabad, Haryana	A-37, Sector 64, Noida, U.P., India
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Philosophy:

Our actions today must have a positive impact on our Communities.



Vision:

Supporting vibrant communities by being part of the Solution. To enhance the well-being of the communities where we operate – encouraging growth and vitality through positive engagement.

MOL is committed to focus on sustainable development and make efforts to improve quality of life around us while preserving our practices. Social outreach should become an integral part of our approach to conducting business.

CSR Policy – an outline:

- ✓ Maral recognizes CSR as a vital part of corporate activity and is therefore committing itself to a course of social responsibility in accordance with this CSR Policy for the sustainable development of society and business.
- ✓ Identify, in partnership with public/ private / local communities, social projects where Maral can make a positive contribution and implement sustainable Community Development Programs for the underprivileged.
- ✓ Maral will endeavor to make a positive contribution to the local Communities towards improving their living conditions by utilization of resources towards development of a sustainable society that is in harmony with the environment and local customs.
- ✓ Maral will promote social contribution activities to realize a better society and also encourage its employees to serve communities by volunteering and sharing their skills and expertise.
- ✓ Maral will disclose information openly and transparently in order to maintain and develop a relationship of trust with the Communities and act responsibly towards them through various means of communication.

CSR policy of the business entity will provide for an implementation strategy and include identification of projects/activities, setting measurable physical targets and timeframe, organizational mechanism and responsibilities, time schedules and monitoring.

Our Goals:

- ✚ Contribute by way of financial investment for the welfare of the economically backward sections of society and select projects with immense care.
- ✚ Implementing sustainable programs towards enhancing & alleviating the living conditions of the several underprivileged families in the nearby villages to our Sarovar and Noida manufacturing plants, located in Madhya Pradesh and Uttar Pradesh respectively, by including programs towards-
 - **Education** – promoting literacy & education, support schools for all by providing appropriate school building & infrastructure whether by renovating, repairing existing or construction of new infrastructure, improvement in teaching standards, better continuity resulting in sustained interest of the child in education.
 - **Living Environment** - improve local infrastructure and access to sustainable energy and water supplies.
 - **Health** -personal and community health support,
 - **Employment** – promoting employment enhancing vocational training in technical courses and creating opportunities for skill development in tailoring, embroidery & crochet work, other skills, which facilitate the youth either to gain employment or



be self-employed and thereby make the community members self-reliant.

- Setting up or maintaining orphanages for the underprivileged children in rural and semi-rural areas.
- Promotion and development of traditional arts and handicrafts.
- To perform the activity as mentioned in Schedule VII of the Companies Act, 2013, as amended from time to time.

✚ To ensure compliance with Company's CSR Policy, Maral shall:-

- Comply with the laws of our country
- Implement our CSR programs directly or through third party Trusts, Societies or Section 8 companies operating in India (including those set up by the Central / State governments for socio economic development and relief) and having at least three (3) year track record in carrying on activities in the related areas. Where considered appropriate, the Company may collaborate or pool its CSR corpus (either whole or part) with other companies who undertake similar CSR activities and where the investments done through such collaborative effort would qualify for computing CSR investments. At an appropriate time, consider the setting up of a separate entity to conduct our CSR activities by ourselves.
- We shall pursue our CSR programs for the benefit & welfare of Scheduled Tribes, other backward classes, minorities and women.
- Ensure that all our stakeholders are aware of our commitment to the cause.
- Maintain high ethical standards throughout all interactions with local communities.
- Manage our CSR programs / projects such that community expectations are met by –
 - Definitive & clear objectives
 - Keeping to agreed schedules
 - Dialogue with stakeholders, Sharing of knowledge and building of trust
- Regularly monitor all our activities and dissemination of information transparently.
- The Corpus for any given relevant year would be 2% of the average Net Profits over the last three years. Any income - or surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Role/Responsibilities of the Board

- Board shall specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Board may extend a non-ongoing project beyond one year based on reasonable justification.
- In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make



modifications, if any, for smooth implementation of the project within the overall permissible time period.

- Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- Where the Company spends an amount in excess of requirement, such excess amount may be set off by the Board against the requirement to spend up to immediate succeeding three financial years subject to the conditions that
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any
 - (ii) Board of the Company shall pass a resolution to that effect.
- A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of their own personnel for CSR

Constitution of Corporate Social Responsibility Committee and its Functions

Board of Directors of the Company had constituted the Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') in line with provisions of section 135 of the Companies Act, 2013 and rules made thereunder. The Composition of the Committee are as under:-

S. No.	Name of Director/Member	Designation/Category
1.	Shri Priya Shankar Dasgupta	Chairman, Independent Director
2.	Dr. Kamal Gupta	Member, Independent Director
3.	Shri Shekhar Agarwal	Member, Executive Director
4.	Shri Shantanu Agarwal	Member, Executive Director

The Corporate Social Responsibility Committee shall function as under:

- I. Formulate and recommend to the Board, the Corporate Social Responsibility policy and the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.
- II. Recommend the amount of expenditure to be incurred on the activities undertaken by the Company.
- III. To formulate and recommend to the Board an annual action plan in pursuance of CSR Policy covering the following aspects:-
 - the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
 - the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
 - the modalities of utilisation of funds and implementation schedules for the projects or programs;
 - monitoring and reporting mechanism for the projects or programs; and
 - details of need and impact assessment, if any, for the projects undertaken by the company;
- IV. Monitor the Corporate Social Responsibility policy from time to time.



- V. Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect
- VI. Carry out such other functions as are required or appropriate in discharging their duties.

The Committee is not only responsible for the philanthropy activities carried out by the Company but also ensure that the same is properly undertaken within the set time frame. Further, while considering the benefit of the shareholders, the Committee also considers the social and environment responsibilities to fulfill the expectations of the society at large.

Annual Action Plan

CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of CSR Policy of the Company covering the aspects as mentioned above. Board of Directors are empowered to alter the annual action plan during the financial year, if so, recommended by the CSR Committee, based on a reasonable justification for such change.

Capital Assets

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

- a. a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number, or
- b. beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities, or
- c. a public authority.

Information Dissemination

CSR Policy and the CSR activities undertaken shall be disseminated on the website of the Company for public access and shall be published in the Annual Report of the Company in the format prescribed under the Act and CSR Rules.

Need and Impact Assessment

The Company shall undertake CSR activities in the interest of the society and the local population, preferably, where the Company operates. In terms of the CSR Rules, the Company shall undertake Impact Assessment, if require, through an independent agency, of its CSR projects having outlays of Rs. 1 (one) crore or more, and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR. The Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

Amendment

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

Any notification/ circular or other statutory guideline(s)/ regulation(s) on the subject, that has the effect of amending any of the provisions quoted or referred to in this Policy, shall automatically have the effect of amending this Policy without the need of any further approval by the Board of Directors.