



Corporate Social Responsibility (CSR) Policy of Mahaan Milk Foods Limited

1. Preface

In pursuance of the provisions contained in section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time-to-time, certain class of companies are required to formulate a CSR Policy and to make the requisite CSR expenditure every year. The Company fulfills the criteria of such class of companies and has accordingly formulated this Policy.

Corporate Social Responsibility (CSR) is the integration of business operations & values and through that integration, formulate such framework of operations and actions resulting in protection of interests of all stakeholders including investors, customers, employees, the community and sustenance of environment.

It is the society which provides necessary resources, man-power and other facilities to help a company in continuing the smooth functioning of its business. Hence, it is the responsibility of a company to serve the society and communities, in which it operates. The Company strives to be a good corporate citizen and shall endeavor to fulfill its responsibilities towards the society and communities in which it operates.

The Company has established the Mahaan Foundation, a Section 8 Company as a not-for-profit entity aimed at providing a dedicated approach to community development and also for actualisation Mahaan Milk Foods Limited (“the Company”) CSR commitments. Mahaan Foundation in-er-alia works towards removing malnutrition, improving healthcare infrastructure, supporting primary education, rehabilitating destitute individuals and caring for animals, and preserving Indian art and culture. The Company’s focus has always been to contribute to the sustainable development of society and the environment, and to make our planet more liveable for future generations.

2. Objective

The Company believes that the policy related to its CSR should be made an integral part of its culture and it should always conduct its affairs in a socially responsible manner. The purpose of this Policy is to enable the company to participate/undertake (directly or indirectly) or to make obligatory contributions in the projects or programs or activities as specified in the Schedule VII attached to the Companies Act, 2013, as amended, from time-to-time.

3. Scope

- i. Only permitted activities as per Schedule VII of the Companies Act, 2013, and/or such other activity as may be notified by the Government from time-to-time in this respect, will be undertaken by the Company.
- ii. The Company will give preference to the local area and areas around the units, for undertaking CSR activities.
- iii. Also, the CSR program/activity to be pursued by the Company shall not be exclusively for the benefit of its employees or their families.



- iv. In case the company decides to undertake any of the activities, programs, projects, etc. on its own then it would also prepare an implementation schedule, as well as the modalities for execution of the same.

4. Implementation and Monitoring Modalities

The CSR activities may be undertaken directly by company itself or through any other entity, eligible under the applicable provisions of Companies Act, 2013 and Rules made thereunder. All activities undertaken in pursuance of this Policy shall be periodically monitored by the Whole Time Director and his team.

5. Undertaking CSR Activities

The Company will undertake its CSR activities (being projects / programs / other permitted activities), approved by the CSR Committee either directly or through the Mahaan Foundation and / or such other eligible entity / organization as approved by the CSR Committee. The surplus arising out of the CSR activities shall not form part of the business profit of the Company. Such surplus shall be spent towards its CSR activities in accordance with this policy. Identification and implementation of multi-year CSR projects / programs (“Ongoing Projects”) will be monitored by the CSR Committee and the Board of Directors of the Company (“the Board”), as required under Applicable Law.

6. Corporate Social Responsibility (CSR) Committee

- I. The CSR Committee shall be comprised, and work in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder. The functions of the CSR Committee shall be follows:
 - a. The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in accordance with the activities specified in Schedule VII of the Companies Act, 2013 or any other directives issued by the Government from time to time.
 - b. Recommend the amount of expenditure to be incurred on the activities included in the Annual Action Plan.
 - c. Monitor the implementation of the approved CSR projects and activities.
 - d. Review the CSR Policy as and when it feels necessary and also to regulate the affairs through such person/s as it may deem appropriate.
- II. The Annual Action Plan shall include the following:
 - a. List of CSR Projects or programmes or activities that are approved to be undertaken.
 - b. Manner of execution of such projects or programmes or activities.
 - c. The modalities of utilization of funds and implementation schedules for the identified projects or programmes or activities.
 - d. Monitoring and reporting mechanism for the projects or programmes or activities.
 - e. Details of ‘Need and Impact assessment’, if warranted.



- III. The Committee shall meet at such frequency / intervals as it may deem necessary to carry out the objectives of this policy.
- IV. Compliance with this policy will be monitored and shall be subject to regular review by the CSR Committee and the Board.

7. CSR Outlay and Funding

- 1. The Annual Action Plan recommended by the CSR Committee needs to be approved by the Board of Directors, ensuring that the requisite amount is allocated/spent towards discharging the CSR obligation of Company, in every financial year.
- 2. Any surplus generated from CSR projects shall not be added to the normal business profits of the Company and shall be treated as follows:
 - a. Ploughed back into the same project; or
 - b. Transferred to an Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company; or
 - c. Transferred to a fund specified in Schedule VII, within the prescribed timeline as specified in the applicable CSR Rules.
- 3. The Company may spend up to 5 percent of its total CSR expenditure, towards administrative overheads for the financial year for the purpose of CSR functions in the Company.
- 4. The Company may spend its CSR amount for creation or acquisition of the capital assets subject to the fulfillment of conditions as specified under the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time-to-time.

8. Amendments to the Policy

This Policy would be subject to revision/amendments in accordance with regulations on the subject as may be issued by relevant statutory authorities, from time to time. The Board of Directors, either on its own or on the recommendation of the CSR Committee, may amend this Policy as and when deemed fit. The decision of the Board of Directors on all matters relating to this Policy shall be final and binding upon all concerned.
