

## MPS LIMITED

### CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

#### I. **CONCEPT AND VISION**

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of the society and the area in which it operates. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to the society.

In this regard, the Company has updated this policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013, rules and amendments made there under.

This policy was formulated and recommended by the CSR Committee and adopted by the Board of Directors at its Meeting held on May 17, 2019 and further amended on May 17, 2022. The Board may, upon recommendation of the CSR Committee, amend or modify this CSR Policy.

#### II. **CONSTITUTION, COMPOSITION AND SCOPE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)**

##### (a) Constitution and Composition of the CSR Committee:

The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising of 3 (three) or more members out of which at least one Director shall be an Independent Director.

The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.

The Composition of CSR Committee shall be disclosed in the Board's report.

##### (b) Scope of the CSR Committee

The CSR Committee has been set up to;  
Formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subjects as detailed in the Schedule VII to the Act.

- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy.
- Monitor the CSR Policy from time to time

(c) Modalities of execution of the CSR Projects

The modalities of the execution of the CSR projects or programs and their implementation along with the monitoring process of such projects or programs as may be decided by the CSR Committee.

The CSR Committee shall recommend the annual budget for each project, program or activity in accordance with this CSR Policy and applicable laws, for the consideration and approval of the Board. The CSR Committee will also determine and recommend to the Board for its approval, the allocation and distribution of CSR spends within the different projects, programs and activities undertaken. The schedule of disbursements shall be linked to the planned projects / activities.

### III. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, undertake any of the following activities, as part of its corporate social responsibility initiative, in the areas or subjects that are defined in Schedule VII of the Companies Act 2013;

1. 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;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. 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;
5. 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;
6. 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;

7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. 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;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. Rural development projects
11. Slum area developments
12. Disaster management, including relief, rehabilitation and reconstruction activities

Also, the CSR activities undertaken in India only will be taken into consideration, in order to satisfy the requirement of section 135 of the Companies Act 2013.

#### IV. Proposed CSR Projects or Programs

An overview of CSR Projects or Programs proposed to be undertaken by the Company:

S.No.	Focus Areas	Actions
1.	Hunger, Poverty, Malnutrition and Healthcare	MPS will work with various Non-profit organizations working in medical and health related projects: <ol style="list-style-type: none"> <li>i. addressing mental illness and promoting mental health of the persons in India</li> <li>ii. create public awareness and participation in the social and economic upliftment of society and to work in the area of health and medical aid, sanitation, education, self-employment, social welfare and community development</li> </ol>
2.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	MPS will focus on Education in association with various Non-profit organizations on the following fronts: <ol style="list-style-type: none"> <li>i. Assessing and certifying students having poor school performance</li> <li>ii. Imparting of primary education to underprivileged girls</li> <li>iii. Imparting higher values of life in youth through educational programs and lectures.</li> <li>iv. To provide financial assistance to establish homes for mentally and physically challenged children, providing opportunities for rehabilitation and use of their talents.</li> <li>v. To provide financial assistance to support the learning disability project</li> </ol>

		vi. To establish homes for mentally retarded and physically handicapped children vii. Providing of education, knowledge and research in philosophy, culture, heritage viii. Girl Child Education Program
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## V. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES

- For achieving its CSR Initiatives and Activities through implementation of meaningful & sustainable CSR programs, the Company needs to allocate, in every financial year, at least 2 % (two per cent) of the average net profit made by the Company during the three immediately preceding financial years.
- The average net profit of the Company shall be calculated in accordance with Section 198 of the Companies Act 2013.
- CSR expenditure shall include all expenses including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee, but should not include any expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act.

## VI. Monitoring

The CSR Committee will monitor the programs and projects to ensure that they are being carried out in compliance with this Policy and the Act and in accordance with the approved budget. Money spent towards CSR shall be released only against verification of utilization of funds as per approved work-plans and timelines. Verification may be done through review of documents and through an active feedback mechanism.

To ensure effective implementation of the CSR projects, programs and activities undertaken in terms of the Policy, the progress of each such project, program and activity will be reviewed by the CSR Committee, with all requisite documentation.

In the event it is observed that any CSR activity taken up is not being implemented in the desired manner, the CSR Committee may, with the approval of the Board, discontinue funding of such project at any time during the course of implementation and deploy such funds for any other project/ activity or program.

## VII. CSR Reporting & Display of CSR Policy

The report of the Board of Directors of the Company shall include an annual report on CSR activities in the prescribed format and the Company shall also display the CSR policy on its official website.

## VIII. GOVERNANCE

The CSR Committee shall:

- Formulate and recommend to the Board and periodically review the CSR Policy
- Formulate and recommend the annual action plan.

- Indicate the list of activities to be undertaken by the Company in areas or subject. This will be aligned to activities specified in **Schedule VII of the Companies Act, 2013**.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the implementation of the CSR Policy of the Company from time to time.
- Monitor and report on the progress on the annual action plan.
- CSR implementation in India shall be periodically reviewed and monitored by the duly constituted CSR Committee of the Board
- Any surplus arising out of CSR projects, programs, or activities shall not form part of the business profit of the Company and the same shall be spent on CSR activities.

#### **IX. AMENDMENTS**

In case of any subsequent amendment(s), clarification(s), circulars, etc., issued by the relevant authorities not being consistent with the provisions laid down in this policy, then such amendment(s), clarification(s), circulars, etc., shall prevail upon provision herein and this policy shall stand amended accordingly from the effective date as laid down under such clarification(s), circulars, etc.