

1. Preamble

Manorama Industries Limited (“Manorama” or “the Company”) seeks to be a good corporate citizen in all aspects of its operations and activities. It is the Company's intent to make a positive difference to society. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. At Manorama, Corporate Social Responsibility (“CSR”) is based on the belief that business sustainability is closely connected to the sustainable development of the communities that the business is a part of and the environment in which the business operates. It recognizes that it cannot do it all; so that if there are choices to be made, prioritization will be towards doing fewer projects with greater impact and focusing initiatives on communities in which the Company lives and operates. 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. Vision and commitment

Our vision is to drive ‘holistic empowerment’ of the community through implementation of sustainable initiative which will have maximum societal impact by identifying the critical needs and gaps.

We shall remain committed to the following operating principles:

- Conducting business in a socially responsible and ethical manner;
- Protecting the environment and the safety of people;
- Supporting human rights; and
- Engaging, learning from, respecting and supporting the local communities and cultures with which we work.
- Strive for economic development that positively impacts society at large with minimal resource footprint.

3. Philosophy and approach

The company proposes to create a social impact through ‘hands on’ execution of the social initiatives, directly and/ or through partnerships with individuals, institutions, NGOs and local Government bodies etc. for the purpose of accessing expertise/ enhancing resources.

The Company may also collaborate with other companies for undertaking projects/programmes/activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the Act and Rules made thereunder. The preference for CSR programs is to be given to local areas and areas around its operations.

4. CSR Objectives

The company may carry out any one or more of the CSR activities, notified under the section 135 of the Companies Act 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014) as amended from time to time and any other applicable provisions, which includes inter-alia the following:

- To eradicate hunger, poverty and malnutrition, 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.
- Vocational Training programmes to enhance the employability skills of the beneficiaries.
- To promote health care including rehabilitation health.
- To promote education and enhance vocational skills especially among children, women and differently abled person.
- To facilitate rural development and slum area development.
- To ensure environmental sustainability, ecological balance, conservation of natural resources
- Protecting national heritage, art and culture, including the restoration of buildings, sites of historical importance, and works of art; setting up public libraries; reviving, promoting and developing traditional arts and handicrafts.

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- Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and other similar facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports.
- Contribution to 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 Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.
- Disaster management, including relief, rehabilitation and reconstruction activities.
- Measures for benefit of armed forces veterans, war widows and their dependants, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.

However, the CSR Committee shall have authority to decide to carry out any other CSR activities within the purview of permissible activities under the Act from time to time.

5. CSR Committee

The Company's CSR governance structure will be headed at the Board level by the CSR Committee that will be responsible for CSR activities/ project undertaken. The Committee will report to the Board of Directors of the Company. The CSR Committee shall comprise of at least three directors, one of whom shall be independent director. The Board shall be empowered to modify the composition of CSR Committee, provided that there shall always be at least one independent director as part of CSR Committee or such other composition as may be prescribed from time to time.

6. Responsibilities of CSR Committee

The CSR committee shall be mainly responsible to;

- Formulate and recommend to the Board the CSR policy, inter-alia in compliance with the section 135 of the Companies Act, 2013 and schedule VII thereof and the Companies Corporate Social Responsibility Policy) Rules 2014.
- formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy,,which shall include the following, namely:-
 - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021;
 - c) the modalities of utilisation of funds and implementation of schedules for the projects or programmes;
 - d) monitoring and reporting mechanism for the projects or programmes; and
 - e) details of need and impact assessment, if any, for the projects undertaken by the company;

The Board may modify the annual action plan as per the recommendations of the CSR Committee at any time during the financial year, based on reasonable justification

- Identify and recommend to the Board, from time to time, the activities/ projects in line with such CSR policy and seek its approval for expenditure thereon, from the Board of Directors of the Company.
- Put and institute the transparent monitoring mechanism to review the implementation status of each activities/ project.
- Recommend to the Board, modifications to the CSR policy as and when required.

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- Formulate a CSR Management Committee to monitor the approved CSR activities, spending thereon from time to time with a robust and transparent governance structure to oversee the implementation of CSR Policy.
- Recommend to the Board the method of spending the unspent CSR expenditure for a particular financial year to a Fund under Schedule VII as per Section 135(5) of Companies Act 2013.
- Recommend the annual CSR expenditure budget to the Board for approval; ☐
- Undertake Impact assessment through third parties for CSR projects whenever applicable;

7. CSR Budget

The total budget for the CSR activities/ projects will be recommended by the CSR Committee and shall be approved by the Board of Directors of the Company.

The expenditure to be incurred on CSR activities/ project during a financial year shall not be less than 2% of the average net profit (calculated in accordance with provisions of section 198 of the Companies Act, 2013) during three immediately preceding financial years of the Company.

If the Company fails to spend such amount of CSR expenditure for a particular financial year, the Board shall provide the reasons for not spending such amount in the Board's report and unless the amount relates to any ongoing project referred in Section 135(6), transfer such unspent amount to a Fund specified under Schedule VII, within a period of six months of the expiry of financial year.

The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

Any 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.

8. Unspent of CSR expenditure pursuant to any ongoing project:

Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent CSR Account.

Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer,

9. Need for impact assessment through an independent agency

In the event of average CSR obligation of Rs. 10 crores or more in the three immediately preceding financial years, the Company shall ensure that the Impact assessment shall be done through an independent agency of the CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Expenditure incurred for such assessment shall not exceed 2% of the total CSR expenditure for the financial year or 50 lakh rupees, whichever is higher

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

10. Website:

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The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their Company's website at www.manoramagroup.co.in.

11. Disclosures

Regular reporting and disclosure of all CSR and sustainability activities will be a mandatory component as per the Act. A brief summary of CSR projects/ programmes/ activities will also be included in the Annual report in the prescribed format as per the CSR Rules of the Act.

The CFO shall certify to the fact that CSR funds so disbursed have been utilised for the purposes and in the manner approved by the Board.

12. Limitation and Amendment

The Board of Directors may at their discretion or on recommendation of the CSR Committee may make any changes/ modifications and/ or amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/ modified in due course to make it consistent with the law.

13. Effective Date

The Policy has been reviewed by the Board of Directors at their Board meeting held on March 05, 2021 and subsequently revised on May 12, 2024.