

Corporate Social Responsibility (CSR) Policy

Preamble

Corporate Social Responsibility [CSR] is strongly connected with the principles of sustainability. An organization should make decisions based not only on financial factors, but also on the social and environmental factors and consequences. As such, MBPCL has taken, as its core corporate responsibility, to practice corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

MBPCL recognizes that its business activities have wide impact on the societies in which it operates and therefore, an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR a key business process for sustainable development. MBPCL is responsible for continuously enhancing its shareholders wealth and at the same time, is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society.

Policy Statement

CSR Policy of MBPCL shall ensure that all developmental activities/ initiatives undertaken are accessible to the most deserving segments such as children, women, elderly and those with disabilities. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, infrastructure development, etc.

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/ underprivileged sections of the society. MBPCL adopts an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

Objective

The main objective of CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development of the society. It aims at supplementing the program of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

The key objectives of this policy are to:

- Define CSR and the approach adopted to achieve our CSR Objectives
- Define the kind of activities/projects that will come under the ambit of CSR
- Identify broad areas in which the company will participate
- Serve as a guiding document to help execute and monitor CSR activities
- Elucidate criteria for partnering implementation agencies

CSR Committee

MBPCL has a Board Level Sub-Committee herein after referred to as CSR Committee which shall consist of three or more Directors out of whom at least one shall be an Independent Director. The Committee will report to the Board of Directors of the Company.

The CSR Committee shall be responsible for the following:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above; and
- monitor the Corporate Social Responsibility Policy of the company from time to time.

Focus Areas

The company shall give preference to the local area and areas around it where it operates (around plant site, registered office or corporate office of the company) for spending the amount earmarked for Corporate Social Responsibility activities.

The assessment is based on need at grass root level to reach out the beneficiary. Actions are/ shall be initiated to implement, integrate and evaluate best practices of CSR initiatives. CSR activities of MBPCL will cover the following focus areas:

- Promoting Health care including Preventive Health care** through awareness programmes, health check-ups, provision of medicine & treatment facilities, distribution of medicines and other health care items. Operation of mobile dispensary to serve the people residing in remote areas deprived of basic medical facilities and to the under privileged class, industrial workers and people of surrounding villages, organizing Blood Donation camps.
- Eradicating hunger, poverty and malnutrition**
 - provision of food, nutrition supplement, clothes, etc. for the poor, children and other deprived sections of the society;
 - support for portable drinking water and toilets.
- Promotion of quality education** especially among children in the remote areas deprived of the basic education, including:
 - financial support to govt. schools and charitable organizations running schools on non-commercial consideration;
 - supporting schools with infrastructure facilities;
 - supporting education of differently abled children;
 - adult literacy for women;
- Social activities including**
 - promoting gender equality through various programs
- Ensuring environmental sustainability** and ecological balance through:
 - protection of flora & fauna /promoting biodiversity;
 - conservation of natural resources;
 - maintaining quality of soil, air & water;
 - adoption of wastelands to cultivate plants;
 - animal welfare and veterinary services;
 - promoting alternate energy resources;
- Promotion of rural and nationally recognized sports** through:
 - adoption of games and sponsoring of events to attract local talent to the games

- scholarships to deserving players for training & Development of their skills and improved nutrition
- provision of sports items to the schools and athletic organisation

g) Rural Developments projects such as:

- excavation and deepening of ponds
- construction of roads, drains and other public utilities
- drinking water supply arrangements including borewells, tanks and pipe lines
- Support initiatives in rural areas on health and hygiene

h) Contributions to various funds

- To contribute to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief;
- To contribute or provide funds to technology incubators located within academic institutions which are approved by the Central Government;
- To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, which may be recognized as CSR activity;
- To promote sustainability in partnership with industry associations in order to have a multiplier impact.
- To contribute for welfare of armed forces personnel, war widows and their dependants;

i) Other Activities

- Welfare for differently disabled persons;
- Art, culture and handicraft;
- Support in such form as possible at the time of natural calamity or engage in Disaster Management system;
- Support to NGOs/charitable organizations working for any of the above specified objects;
- Such other activities as may be permitted from time to time by law/ as the Board may consider appropriate.

Annual CSR Budget

In line with the requirements of the Companies Act, 2013, MBPCL shall earmark as CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the company and shall be utilized for CSR activities only. Any unutilized amount shall be carried over to subsequent year to be used only for CSR activities.

Monitoring

The CSR Committee shall issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programs and at the end of every financial year, the CSR Committee will submit its report to the Board.

Further, on the recommendation of the CSR Committee, the Board may review and amend this Policy from time to time. The Company reserves the right to modify, cancel, add to, or amend this Policy, with the approval of the CSR Committee / Board of Directors.

Information dissemination

The contents of the approved CSR Policy shall be disclosed in the Board's Report and shall also be displayed on the Company's website.

Effective Date

This Policy is approved by the Board of Directors in its meeting held on and shall be effective from

Contact

For queries related to CSR Policies, please contact:

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