



MEGASTAR FOODS LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble

Corporate Social Responsibility aims to address the economic, environmental conditions as well as social sustainability of any business to make its strategy valuable for all its stakeholders. India has become the only country to have mandatory Corporate Social Responsibility across globe.

MEGASTAR FOODS LIMITED is one of India's fastest growing flour manufacturing company. The Company has set up "flour & its Derivatives" manufacturing plant based on latest technology at Kurali-Ropar Road, Village Solkhian- 104108, distt. Roopnagar, Punjab

Every employee of MEGASTAR FOODS LIMITED is motivated, skilled and is the strength of the company. He/She is also large hearted and willing to share his/her time and talent with others to help build a better, stronger and safer community.

2. Title & Applicability

The policy has been developed in consonance with Section 135 of the Companies Act 2013 (referred to as the '-Act' in the policy) on Corporate Social Responsibility (CSR) and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Government of India and shall apply to all CSR projects undertaken by Everest Industries Limited as per Schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalized, disadvantaged, poor or deprived sections of the community, environmental sustainability, gender equality, protecting national heritage, etc.

3. Objective

To engage organizational resource and capacity to improve the social, economical, cultural and environmental conditions of community at large through sustainable development interventions and imbibing the societal values in stakeholders.

4. Definitions

- a) **Act:** The Act means Companies Act, 2013.
- b) **Corporate Social Responsibility:** It means Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013 and amended from time to time.
- c) **CSR Activity:** It means and includes but is not limited to:-
 - i. Projects or programmes relating to activities specified in Schedule VII to the Act as amended from time to time;
 - ii. Projects or programmes relating to activities undertaken by the Board of Directors of a Company (the Board) in pursuance of recommendations of the CSR Committee of the Board in the manner prescribed in the CSR policy.It is pertinent to mention that any activity which is undertaken exclusively for the benefit of employees of the Company or their family members shall not be considered as CSR activity.





- d) **CSR Committee:** It means the CSR Committee of the Board of Directors formed under Section 135 of the Act.
- e) **Net profit:** It shall mean the net profit as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014. f) **Average Net Profit:** It shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

5. Scope/List of CSR Activities

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Schedule VII of Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014:-

- i. 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.
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv. 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].
- v. 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 art and handicrafts;
- vi. 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];
- vii. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- viii. 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;





- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]

- x. Rural Development Projects

- xi. Slum area development

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

- xii. Disaster management, including relief, rehabilitation and reconstruction activities. In addition to the above any activity recommended by the CSR Committee time to time may also be carried out by the Company.

6. CSR committee

MEGASTAR FOODS LIMITED will institute a CSR Committee of the Board consisting three of Directors including at least one Independent Director. The Committee will meet at least once in a year. The followings will be terms of reference of the committee.

- i. To formulate MEGASTAR FOODS LIMITED CSR strategy, policy and goals;
- ii. To monitor the MEGASTAR FOODS LIMITED CSR policy and performance;
- iii. To review the CSR projects/initiatives time to time
- iv. To ensure legal and regulatory compliance from a CSR view point
- v. To ensure reporting and communication to stakeholders on MEGASTAR FOODS LIMITED CSR projects / Initiative.

The following Directors of the Company be and are hereby appointed as members of the Corporate Social Responsibility Committee.

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| i. | Mr. Amit Mittal | Chairman |
| ii. | Mr. Vikas Goel | Member |
| iii. | Mr. Prabhat Kumar | Member |





7. Implementation

As per Rule 4 (1) and (2), the projects undertaken by us can be:- The Board shall ensure that the CSR activities are undertaken by the company itself or through: -

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- e) A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- f) 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.

8. Monitoring of CSR projects

The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects /programmes /activities proposed to be undertaken by the Company. The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act. CSR Policy and initiatives of the Company will be reported in the Annual Report of the Company in the manner prescribed under the CSR Rules. All the CSR & Sustainability projects would be documented and hosted on the Company's website also.

9. Documentation and Reporting

The CSR Team of MEGASTAR FOODS LIMITED will ensure that all CSR projects are comprehensively documented and accountability is fixed at every level of the CSR process and the implementation apparatus. A repository of case studies and good practices may be compiled to learn from and build upon successful interventions.





The Board-level CSR committee will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013.

10. CSR budget

The overall amount committed to CSR as per section 135 of the Companies Act will be approved by the Board level CSR Committee as part of MEGASTAR FOODS LIMITED Annual Budget/Plan. Within CSR budgeted amount, specific CSR activities will be approved in the line process approved by the Committee of the Board. All projects undertaken by MEGASTAR FOODS LIMITED will be approved/ratified by the CSR Committee.

11. Amendment

The CSR Policy referred to above is to be read in conjunction with the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014 as amended from time to time. Any or all provisions of the CSR Policy would be subject to revision/ amendment in accordance with the guidelines on the subject as may be issued from the Government from time to time or as decided by the Board of Directors of the Company. The above Policy Guidelines are subject to review at suitable intervals and subject to revision accordingly.

This Policy is amended and approved by the Board on and effective from 30 May 2022.

For Megastar Foods Limited

Director