

**CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
MALU PAPER MILLS LIMITED**

STATUTORY MANDATE

This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by Malu Paper Mills Limited (the Company) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 issued by the Ministry of Corporate

COMPANY PHILOSOPHY FOR CSR POLICY:

Malu Paper Mills Limited is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various health check up camps, drinking water supply, tree plantations environmental sustainability, promoting education and other rural development activities.

We are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavour to positively impact and influence the Society for its sustainable development.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors out of which one Director is an Independent Director:

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| 1. Shri Punamchand Malu, | Chairman |
| 2. Shri. Banwarilal Malu | Member |
| 3. Shri Satyanarayan Rathi | Member & Independent Director |

The Committee shall meet as and when it considers necessary.

The following shall be the terms of reference of the Committee:

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013
- b. Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy;
- c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d. Perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India.

CSR FOCUS AREAS:

The Company will support programs and activities as mentioned under Schedule VII of the Companies Act, 2013 and also such other activities including but not limited to the following:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh 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 4[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;
- 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 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. contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt;
- x. rural development projects;
- xi. slum area development.
- xii. disaster management, including relief, rehabilitation and reconstruction activities

EXCLUSIONS:

Following activities shall be excluded from the CSR expenditure of the company

- i. programs or activities that benefit only the employees of the company and their families;
- ii. activities undertaken in pursuance of its normal course of business;
- iii. Contribution of any amount directly or indirectly to any political party;
- iv. Expenditure on item/s not in conformity with Schedule VII of the Companies Act 2013;

COLLABORATION

It is expressly allowed under the CSR Rules that the Company may collaborate with any other Company or association formed in this regard subject to approval by CSR Committee, to implement CSR activities and the same shall form a part of the Annual CSR Plan.

BUDGET FOR CSR ACTIVITY& CSR EXPENSES

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.

IDENTIFICATION OF ACTIVITIES/PROJECTS

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the factory units are located or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

IMPLEMENTATION PROCESS

After prioritizing the activity the Committee shall finalise the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

MONITORING BY THE BOARD

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

REPORTING TO BOARD:

At the end of each financial year, the CSR committee shall prepare a report of the CSR program in the prescribed form relating to the financial year and submit to the board for its inclusion in the Board's report.

FAILURE TO SPEND THE CSR MONEY

If the Company fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

REPORTING AND PUBLICATION OF CSR POLICY

As per the CSR Rules, the contents of the CSR Policy shall be included in the Board Report and the same shall be displayed on the Company's website, if any.

MANAGEMENT COMMITMENT

Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

DAMODARLAL MALU
CHAIRMAN