

- **Composition of CSR Committee**
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Compoistion of CSR Committee of Mahindra EPC Irrigation Limited

Sr. No.	Name	Position
1	Mr. Ashok Sharma	Chairman
2	Mr. S. Durgashankar	Member
3	Dr. Sudhir Kumar Goel	Member

CORPORATE SOCIAL RESPONSIBILITY POLICY

Name of Document		Corporate Social Responsibility Policy
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State whether Policy/Code/Manual/ Guideline		Policy
Company Level		Company Level
Issuing Authority		Ashok Sharma - Managing Director
Owner of the document / CSR Team		Sunetra Ganesan / Ratnakar Nawghare / Sameer Dighe / Saurabh Dave
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1.0	Ratnakar Nawghare	NA

1. Introduction and background

Mahindra EPC Irrigation Limited (“The Company”) has been a socially responsible corporate going beyond the legal & statutory requirements to make responsible investments in the community. The Company has defined Corporate Social Responsibility (CSR) and pledged to commit 2% of the average net profits of the Company made during the 3 immediately preceding financial years for its CSR initiatives specifically to benefit the economically, socially disadvantaged communities and the Planet. With the belief that Education is the main route to address India's social challenges, the Company selected Education as its main thrust area for CSR. Being a responsible corporate citizen and a part of Mahindra Group, the Company also participates in the areas of public health, environment, and community support programme. More specifically, the major CSR programs that the Company has been participating in are as follows:

- **Project Nanhi Kali** – Founded in 1996, this is a sponsorship program that supports the education of under privileged girls from poor urban, remote rural and conflict afflicted tribal communities by providing them comprehensive academic and material support. Since 2005 the Project is jointly managed by the K C Mahindra Education Trust and Naandi Foundation.
- **Public Health, environment, and community support programme** –The Company is also committed towards the society for health, environment, and community support by organising various health check-up programmes, drinking water facilities, school development and tree plantation programmes.
- **ESOPs** – Employees are encouraged to volunteer for various CSR projects in the areas of education, health, and environment through the Employee Social options program (ESOPs). Some of the projects to which the employees have extended their volunteering efforts are skill development of youth, health awareness, donations of medical equipment to orphanages and senior citizens etc.
- **Farmer support** - The Company also organises various programmes for farmer community in India for creating awareness amongst farmers for the best agricultural practices and improvement in the yield of their Agri produce.

In keeping with the RISE philosophy the Company will continue to drive positive change to enable people and communities to RISE above their limiting circumstances.

2. Objective of the CSR Policy

The **objective** of this policy is to -

- Promote a unified and strategic approach to CSR across the Company by incorporating under one 'Rise for Good' umbrella the diverse range of its philanthropic giving, identifying select constituencies and causes to work with, thereby ensuring a high social impact.
- Ensure an increased commitment at all levels in the organisation, by encouraging employees to participate in the Company's CSR and give back to society in an organized manner through the employee volunteering programme called Employee Social Options (ESOPs).

3. Scope and applicability

This policy shall be applicable across Mahindra EPC Irrigation Limited.

4. Policy Statement

4.1 CSR Vision Statement & Ideology –

Our redefined 'Core Purpose' is to "challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to RISE". In line with our Core purpose, our CSR vision is to focus our efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE.

For Mahindra EPC Irrigation Limited responsible business practices include being responsible for our business processes, products, engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value for our key stakeholders.

4.2. Total Outlay –

From April 01, 2014 in line with the new Companies Act 2013 (the Act), Mahindra EPC Irrigation Limited pledges to contribute 2% of the average net profits of the Company made during the 3 immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company may spend up to 5% of

the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the company.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the Unspent CSR Account and it should be spent in pursuance of this CSR policy and annual action plan of the Company, or the Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

In order to compute whether the Company has under spent or over spent, the Company shall consider the following:

- a. *Project Cost* – it shall include designing, implementation, monitoring and evaluation cost incurred directly or indirectly on the project.
- b. *Administrative Overheads* – To ensure that such expenses shall not exceed 5% of the total CSR expenditure of the company for the financial year. Further, these expenses would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.

4.3 CSR Thrust Areas –

The Company will focus its efforts within the constituencies of girls, youth & farmers through programs designed in the domains of education, health and environment. The Company may also make contributions to its Corporate Foundations/Trusts i.e. K C Mahindra Education Trust and Mahindra Foundation, towards its corpus for projects approved by the Board.

Our commitment to CSR will be manifested by investing resources in any of the following areas or such other area as may be prescribed in the Companies Act, 2013 read with the

Companies (Corporate Social Responsibility Policy) Rules, 2014 from time to time. -

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation & making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly & the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women & orphans; setting up old age homes, day care centers, and such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agroforestry, conservation of natural resources & maintaining quality of soil, air & water;
5. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up of public libraries; promotion & development of traditional arts & handicrafts;
6. Measures for the benefit of armed forces veterans, war widows & their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports & Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
9. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

10. Rural development projects.

11. Slum Area Development.

12. Disaster management, including relief, rehabilitation and reconstruction activities.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the company

5. Implementation:

50% of the CSR budget is managed by the Company which focuses on long- term high- impact and high investment projects of the Company, and the balance 50% of the budget focusses on projects that cater to the local needs of the communities within which they operate, until otherwise decided and directed by the CSR Committee.

While CSR programs may be identified by the CSR Committee, Corporate Foundations (KCMET, Mahindra Foundation) or CSR Committee may also evaluate projects submitted directly by reputed not for profit organizations having an established track record of at least 3 years in carrying on the specific activity. To ensure that there is focus and maximum impact the CSR Committee may endeavor to work on fewer projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

CSR initiatives will be implemented either directly by the Company through its ESOPs (Employee Social Options) programme, where the employees will directly implement the CSR projects, or through implementing partners which include a company established under section 8 of the Act, or a registered public trust or a registered society having an established track record of at least 3 years in undertaking similar activities for which the grant is being given. These organizations would need to be registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961). The above entities shall register with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 1st April, 2021.

The Company may engage International Organisations (as defined in Clause 2(g) of the Companies (Corporate Social Responsibility Policy) Rules 2014) for designing, monitoring, and evaluation of CSR Projects as well as capacity building of their personnel.

The Company may also collaborate with other companies to undertake CSR projects, provided

the CSR Committees of the respective companies are able to report separately on such projects.

6. Governance and Monitoring Process:

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy and monitoring of CSR projects as per the requirements of Section 135 of the Companies Act, 2013.

Board-level CSR Committee –

The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for formulating and recommending to the Board the CSR policy and a CSR annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect. The CSR Committee reports to the Company's Board of Directors.

The members of the Board Level CSR Committee of the Company shall consist of minimum three Directors, out of which at least one director shall be an Independent Director.

The CSR Committee will review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The Committee will review the strategy from time to time and may choose new focus areas and projects as and when required. In addition the CSR Committee will mandate the effective and timely monitoring and evaluation of varied CSR projects by directing CSR team of the Company responsible for CSR or a third party independent agency to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc. if and as may be required especially for the strategic and high value CSR programmes.

Guiding Principles for Implementation and Monitoring:

- a. *Accountability and Transparency* - Implementing agency shall be accountable for all expenses along with the acknowledgements. Further, there should be transparency in the actions to protect the interest of all the stakeholders.
- b. *Ethical Behaviour* - Management and Implementing agency shall maintain ethical behaviour while implementing and monitoring CSR programs without any corruption.
- c. *No conflict of interest* - There shall not be any conflict of interest in the objectives of employees involved in CSR activities and the implementing agencies. Both of them should work for benefits of the needy.
- d. *Respect for stakeholder's interest* - While identifying CSR programs, interest of all the stakeholders shall be taken into consideration.

The CSR Annual Action Plan shall include the following: -

- (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,
- (c) the modalities of utilization of funds and implementation 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.

CSR Team - The Company has set up a CSR Team which is responsible to implement CSR projects as per the CSR Annual Action Plan laid out by the Board level CSR Committee. The CSR Team will monitor CSR projects and will be responsible to report on the progress of the projects, to the Board and CSR Committee, at regular intervals. The CSR team may carry out impact assessment of completed CSR Projects having a value of Rs. 1 Cr, through an independent agency, at least once in every three years or such shorter period as may be prescribed by law from time to time.

The CSR Policy of the Company shall be uploaded on the Company's website for information of all stakeholders.

F22 CSR projects – Medical Health Checkup Camp

Medical Health Checkup Camp held at Chincholi Gurav, Nashik



F22: CSR Projects – Tree Plantations

11,724 Tree plantations and 21,626 Tree Saplings being raised in Northern India Project Haryali - Solan , UP & Punjab Thro' NGO.



Fund Utilisation Statement	
To, Mahindra EPC Irrigation Limited H-109, MIDC, Ambad Nashik - 422010	Date: 12.04.2022
Subject: Northern Haryali – Solan, UP & Punjab – Fund Utilisation Statement for the period Oct 2021 to Mar 2022	
Dear Sir/Ma'am, Naandi Foundation has been undertaking Northern Haryali – Solan, UP & Punjab since 01 st October, 2021. Mahindra EPC Irrigation Limited had given a CSR grant of Rs. 24,87,000/- to Naandi Foundation on 12 th Nov 21 towards implementation of Northern Haryali – Solan, UP & Punjab from 01/10/21 to 31/03/22.	
We are pleased to inform you that the funds utilised proportionate to your contribution amounted to Rs. 24,87,000 as on 31 st March, 2022. The fund utilisation Statement is for the period of 01/10/21 to 31/03/22. The details of the utilisation are given below:	
Particulars	Amount (Rs.)
Opening Balance / Grant Receipt	24,87,000
Grant Receipt	24,87,000
Program Expenditure	22,99,089
Saplings and program operations	20,90,098
Skilling farmer families	2,08,991
Monitoring and Documentation	75,164
Program Quality, Review & Support Services	99,324
Shared Expenses	13,423
Total Utilisation	24,87,000
% Fund Utilised	100%
Interest Earned (If any)	-
Balance / Unspent Amount	-

We have issued this statement at the request of M/s Naandi Foundation on the basis of examination of books of accounts and other relevant records of the Company produced before us and as per the information and explanations provided to us.

Yours faithfully,

Place: Hyderabad

Unique Document Identification Number (UDIN) for this document is **22062692AGYUX6832**.

For R Bengani & Associates
Chartered Accountants
Firm Registration No. 014542S

Rajesh Kumar Bengani, Partner
Membership No. 062692.

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F23 CSR Annual Action Plan

Sr. No	Description of CSR Project / Activity	Schedule VII Main Categories	Location	Expected Outcome	Implementing / Partner organisation	Date of the Project / Activity	Tentative Amount to be Spent on the Projects (Rs.)
1	Contribution to Nanhi Kali	Education	Pan India	Promoting Education of Girl child – 300 nos.	Thro' NGO	Q1, Q2	1,549,000
2	Tree Plantation	Environment	Nashik District	Tree Plantation	MEIL and Thro' NGO	Q1, Q2, Q3	1,504,000
3	Excess Spend of F22 Carried forward to F23						45,000
				GRAND TOTAL			3,098,000

* Estimated amount to be spent based on average three years' Net Profit.

F23 CSR Plan

Sr. No.	Description of CSR Project/Activity	Ongoing/ New	Broad Steps	Time Line			
				F23 Q1	F23 Q2	F23 Q3	F23 Q4
1	Nanhi Kali	Ongoing	Education of Girl child – To be Executed through NGO				
2	Tree Plantation	New	Tree Plantation – To be Executed through NGO				