

# M D BIO COAL Corporate Social Responsibility Policy

## CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)

### 1. Title and applicability

- The document describes the Corporate Social Responsibility Policy ("CSR policy") of M D BIO COALS PRIVATE LIMITED ("MD BIO" or "the company"). It includes MD BIO's vision, mission and other relevant attributes of Corporate Social Responsibility.
- The CSR policy shall be guided by MD BIO's corporate philosophy of respect for the individual and the society at large.
- The CSR policy has been formulated in accordance with Section 135 of the Companies Act 2013 and the CSR Rules 2014 and the relevant amendments / notifications / circulars.
- The CSR policy shall apply to all CSR programs of MD BIO

### 2. Vision and Mission

MD BIO 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 concerns including road safety, healthcare, environmental sustainability, promoting education, promoting sports and other rural development activities.

In pursuance of our vision that MD BIO desires to be a 'Company which society wants to exist', 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.

### 3. Purpose

The Companies Act, 2013 has brought greater emphasis on CSR with rules that provide guidance on minimum CSR spend, focus areas, implementation mechanism and reporting to the shareholders of the company.

MD BIO CSR Policy has been designed keeping in view the company's business vision, its CSR vision and long-term social objectives that the company wants to achieve. MD BIO's CSR Policy has been created with the purpose to outline its CSR focus areas, review mechanism, execution process and reporting mechanism.

### 4. Responsibility of the Board of Directors

The responsibility of the Board of Directors shall be as under:

- (a) To approve the CSR Policy & disclose the contents of such policy in its report;
- (b) Ensure that the activities proposed in the CSR Policy are undertaken;
- (c) Ensure that the company spends, in every financial year, at least 2% of average net profits of the company made during the 3 immediately preceding financial years, as required under Section 135 of the Companies Act, 2013 & Rules made thereunder;
- (d) If company fails to spend the sum as mentioned above, then the Board shall, in its Report specify the reasons for not spending the amount.

### 5. CSR Committee

#### 5.1 Constitution of CSR Committee

MD Biocoals Pvt. Ltd.  
Manish Selvi  
Director

## M D BIO COAL Corporate Social Responsibility Policy

A Corporate Social Responsibility Committee ("the CSR Committee") has been constituted by the Board of Directors to oversee the CSR agenda of the Company. The committee has been formed as per the requirements of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee.

The composition of CSR Committee shall be disclosed in the Board of Directors' Report.

### 5.2 Responsibilities of the CSR Committee

- (a) To formulate & recommend to the Board of Directors, a CSR Policy indicating the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013 and modify / amend the same as required;
- (b) To review and approve annual budgets with respect to CSR programs;
- (c) To develop and institutionalize a CSR reporting mechanism in light with Section 135, Rule 8 of the Companies Act 2013;
- (d) To ensure that MD BIO corporate website displays the approved CSR policy of the company
- (e) To monitor the CSR Policy, Projects and Programs from time to time.

### 5.3. Meetings of CSR Committee

The CSR Committee shall meet at least once in six months. The meeting shall be held either at the registered office of the company or any other place, as may be decided by the members.

Physical presence of a minimum of two members of the committee shall constitute the quorum.

### 5.4. Notice of Meeting

At least three days advance notice of every meeting, specifying the day, place and timing of Meeting and the general nature of the business to be transacted there at shall be given to the members. In urgency, a meeting may be convened by shorter notice.

## 6. Areas of CSR Activities

The Company is hereby devoted to direct its CSR resources, to a reasonable extent, for improving the quality of life of the people by focusing on the social causes, including but not limited to the following areas:

- (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.

For MD Biocoals Pvt Ltd  
Manish Saha  
Director  
Promoting education, including special education and employment enhancing education skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.



## M D BIO COAL Corporate Social Responsibility Policy

- (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;
- (v) Promoting housing, habitation and dwelling home projects for the needy and the poor
- (vi) 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, regional and local art, craft, cultural heritage and handicrafts;
- (vii) 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;
- (viii) training to promote rural sports including traditional sports forms, nationally recognised sports, paralympic sports and olympic sports;
- (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) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (xi) Rural Development Projects;
- (xii) Slum area development; and
- (xiii) disaster management, including relief, rehabilitation and reconstruction activities
- (xiv) Activities related to promotion of road safety as suggested vide General Circular No. 21/2014 dated 18.06.2014 issued by Ministry of Corporate Affairs

### EXCLUSIONS:

Following activities shall be excluded from the CSR expenditure of MD BIO:

- (a) Activities which are exclusively for the benefit of employees of the company, M D Bio employees/contracted staff or their family members;
- (b) Unless otherwise approved by the Board of Directors of the Company, the Company and M D Bio Coal employees/contracted staff shall not be eligible for availing any of the benefit of any of the activities of the CSR expenditure of MD BIO
- (c) Activities undertaken in pursuance of normal course of business of the Company;

For MD Biocoals Pvt. Ltd.

*Mansh Sethi*  
Director

# M D BIO COAL Corporate Social Responsibility Policy

- (d) Direct or indirect contribution to political parties;
- (e) Expenditure on item(s) not in conformity with Schedule VII of the Companies Act 2013;
- (f) Surplus arising out of CSR projects shall not form part of the business profits of Company instead the same will be further used for CSR purposes only.

## 7. Geographies and beneficiaries

### 7.1. Geographies

MD BIO will give preference to the local areas around its operations for spending the amount earmarked for CSR activities. MD BIO's operations are mainly concentrated in the following areas:

- State of Punjab
- State of Haryana
- MD BIO may undertake CSR activities in any other area in India as may be decided, from time to time

### 7.2. Beneficiaries

The beneficiaries of MD BIO's CSR programs may be the following categories of people:

- Children / students
- Women
- Weaker sections of the society
- Others – society at large

## 8. Implementation mechanism

The company may conduct / implement CSR programs by itself and/or through registered trusts, societies and / or section 8 (previously section 25) companies with an established track record of at least three years in carrying on activities in the related area/s or as suggested by Ministry of Corporate Affairs vide circulars/notifications.

The company may collaborate or pool resources with other companies to undertake CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending.

## 9. Monitoring of CSR programs

The MD BIO CSR team shall be responsible for day to day management of CSR related activities of the company. The team shall periodically report to the CSR committee regarding the financial and programmatic progress of CSR projects.

All projects undertaken by MD BIO shall be monitored on a regular basis. On-site monitoring would also be undertaken at least once a year to ensure on-track implementation.

The CSR team shall be empowered to appoint an external third party to monitor / review / audit the progress (financial and programmatic) of the CSR projects.

For MD Biocoals Pvt. Ltd.

10. Effective Date  
Director



## M D BIO COAL Corporate Social Responsibility Policy

The CSR Policy shall be effective from the date of its approval by the Board of Directors.  
This Policy document was approved by the board on meeting dated 04<sup>th</sup> April 2022.

### 11. Amendments to the CSR Policy

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the Policy shall be approved by the Board of Directors.

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CSR POLICY APPROVED ON BEHALF OF BOARD OF DIRECTORS ON THIS 5<sup>th</sup> DAY OF  
APRIL 2022 AT PUNJAB

**For MD Biocoals Pvt. Ltd.**

Authorized Signatory *Manish Sethi*  
Director

MANISH SETHI

DIRECTOR

DIN: 07259626

M D BIO COALS PRIVATE LIMITED