

Meganet Technologies Global Limited (formerly known as Mega Networks Private Limited)

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

INTRODUCTION

The policy which lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large along with the company's philosophy for setting down its responsibility as a corporate citizen is titled as the 'Meganet Technologies Global Limited (formerly known as Mega Networks Private Limited)' - CSR Policy.

BACKGROUND OF THE POLICY

The Corporate Social Responsibility ("CSR") Policy is formulated in compliance with the applicable provisions of Section 135 of the Companies Act, 2013, as amended from time to time ("**Companies Act, 2013**") read with Companies (Corporate Social Responsibilities) Rules, 2014. The constitution of the CSR Committee is in line with the requirement of the Companies Act and the implementation of the CSR policy is also in line with the Statutory requirement.

OBJECTIVES

1. To lay down guidelines to make CSR a key business process for sustainable development of the society.
 2. To aim at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities;
 3. To directly and indirectly take up the programmes that benefit the communities residing in the local areas wherever the Company operates and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace;
 4. Contributing to the sustainable development in the areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India;
 5. Collaborating with communities and institutions to contribute to the national mission of eradicating extreme hunger and poverty, especially in rural areas, through agricultural research,
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knowledge sharing, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programs and such other initiatives.

VISION & MISSION

- To be a corporate with its strategies, policies and actions aligned with wider social concerns, through initiatives in education, health, environment and socially relevant matters.
- In alignment with the vision of the Company, through its CSR initiatives, will undertake to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.
- The Company aims at spending a defined portion of its net profit for the betterment of Indian society.

CONDUCTING OF CSR ACTIVITIES DIRECTLY OR INDIRECTLY

The Company may conduct its CSR activities directly or through “an Implementing Agency” which may be an Association of Person or a Registered Trust, as included under Schedule VII of the Companies Act, 2013.

CSR Activities shall be undertaken in locations within India and preferably within (but not limited to) the local areas around which the Company operates.

COMPOSITION OF CSR COMMITTEE

The Composition of the Corporate Social Responsibility Committee (“**CSR Committee**”) of the Board shall be notified from time to time, in terms of the provisions of sub-section (1) of section 135 of the Companies Act, 2013.

The Committee/ Board may invite such other executive(s) employee(s) of the Company and professionals and experts having relevant experience as it may consider appropriate in its sole discretion, to advise the committee/ Board on various CSR activities being undertaken/to be undertaken by the Company.

The CSR Committee shall comprise the following Directors:

1. Mr. Amrish Dulraj Pipada, Chairman & Managing Director
2. Mr. Shreyans Dulraj Pipada, Whole-time Director
3. Mr. Veeraswamy Subramaniam Sairam

Terms of Reference of CSR Committee/ Board, As Applicable

- i To formulate, recommend and modify/alter, a CSR policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Act;
- ii To recommend the amount of expenditure to be incurred on the activities referred to above; 3.3 To monitor the CSR policy of our Company from time to time; and
- iii To undertake any other acts, deeds and things as may be delegated by the Board from time to time in relation to the CSR of our Company.

Responsibility of CSR Committee:

The CSR Committee would be responsible:

1. To formulate and recommend to the Board, a CSR policy, Annual Action Plan which shall indicate the activities/projects to be undertaken by the Company;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy and Annual Action Plan of the Company from time to time.
4. To ensure filing of statutory documents with the Authorities, if applicable.
5. Any other matter as the CSR Committee may deem appropriate.
6. To prepare a transparent monitoring mechanism for ensuring implementation of the CSR projects / programmes / activities proposed to be undertaken by the Company.
7. To specify the projects and programmes that are to be undertaken.
8. To prepare a list of CSR projects / programmes which a company plans to undertake during the implementation year, specifying modalities of execution in the areas / sectors chosen and implementation schedules for the same.
9. To formulate monitoring and reporting mechanism of such projects or programs.

Selection of CSR Projects

The CSR project to be selected for fulfilling the CSR obligation of the Company should be based on the requirements as specified under Section 135 of the Act read with Schedule VII and Rules. Activities enumerated under Schedule VII of Companies Act 2013 and rules made there under, in reference to Section 135 of Companies Act 2013:

CSR ACTIVITIES

- a) Corporate Social Responsibility "(CSR)" activities to be undertaken by the Company shall be in line with activities mentioned in this CSR Policy and/or the activities that fall within the areas or subjects, specified in Schedule VII of the Companies Act, 2013 and its subsequent amendments, if any. The activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 are:
- 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 centers 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 arts 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.
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- viii. contribution to the Prime Minister's National Relief Fund or 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. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- 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.

AMOUNT OF EXPENDITURE

2% of the average net profits of the company during the three immediately preceding financial years be spent.

TREATMENT OF UNSPENT/EXCESS AMOUNTS IN RESPECT OF CSR ACTIVITIES AND SURPLUS ARISING OUT OF CSR ACTIVITIES

Any amount remaining unspent under its CSR Activities shall be transferred by the Company within a period of 30 days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the Company for CSR activities under this CSR Policy within a period of 3 financial years from the date of such transfer.

ROLE OF BOARD OF DIRECTORS

The Board of Directors of the Company shall be responsible/ authorized for:

- a) Approving the CSR policy after taking into account the recommendations of the CSR Committee.
 - b) Ensuring that in each financial year the Company spends at least 2% of the average net profit
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made during the three immediately preceding financial years and that administrative overhead, if any, shall not exceed five percent of total CSR expenditure of the Company for the financial year.

- c) Considering and approving the annual action plan recommended by the CSR Committee and may alter such plan at any time during the financial year, based on the reasonable justification to that effect.
- d) Ensuring that the funds so disbursed have been utilized for the purposes and in manner as approved by it.
- e) Monitoring the implementation of the ongoing projects with reference to the approved timeliness and year-wise allocation and may make modification, if any, required for the smooth implementation of the project within overall permissible time period.
- f) Disclosure in the Boards' Report, such particulars as mentioned in the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- g) Disclosure of the composition of the CSR Committee, CSR Policy and the approved projects on the Company's website.
- h) Changing duration of project(s) which was initially not approved as multiyear (ongoing) project(s) and whose duration has been extended beyond one year on reasonable justification.

REPORTING & DISCLOSURE:

An annual Report on the CSR containing details about the CSR policy and programmes implemented by the Company shall be included in the Report of Board of Directors for every financial year, as per the format prescribed under the Rule to section 135 of the Companies Act, 2013.

Composition of CSR Committee will be included in the Annual Report on CSR and also be displayed on the website. The CSR Policy of the Company, CSR projects as approved by the Board for public access shall also be displayed on the website.

The Proforma containing the details of CSR activities to be undertaken by the Company will be annexed on annual basis with the policy documents.

The report of Board of Directors shall include a Responsibility Statement of the CSR Committee/ Board, as applicable, that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the Company.

For any reason, the Company, fails to spend 2% of the average net profit of the preceding three financial years on CSR, the reason thereof, shall be furnished in the report of the Board of Directors under Section 134 (3) (o) of the Companies Act, 2013.

The Company having average CSR obligation of ten crore rupees or more pursuant to Section 135 of the Companies Act, 2013 in the three immediately preceding financial years, shall undertake impact assessment through an independent agency of the CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The company shall prepare an “Annual Action Plan” which shall be reviewed by Chief Financial Officer, recommended by the CSR Committee and approved by the Board, which shall disclose the proposed CSR Expenditure to be done during the Financial Year which shall be compared on a quarter-to-quarter basis by preparing a Report and discussing the same in the CSR committee and / or Audit Committee. The outcome and the necessary steps undertaken shall be duly disclosed in the Board by the Chairperson of CSR Committee.

Also, CSR initiatives of the Company will be reported in the Annual Report & the Board’s Report in compliance with Section 135 of the Act and rules made thereunder.

MONITORING PROCESS OF THE ACTIVITIES UNDERTAKEN

The Board of a company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer in the Annual Action Plan corresponding to that Financial Year.

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.

The Company’s Monitoring & Evaluation (“M&E”) framework aim to focus on outcome and impact measurement in multiple ways by measuring change in the lives of the communities that it engages with.

The Company may engage international organisations for designing, Monitoring and evaluation

of the CSR Projects or programmes as well as for capacity building of the Company's personnel for CSR.

ONGOING PROJECT:

Ongoing project has been defined as:

- a. a multi-year project, stretching over more than one financial year;
- b. having a timeline not exceeding three years excluding the year of commencement;
- c. includes such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.

A comprehensive Monitoring mechanism will be devised to ensure that the CSR process functions as mandated by the Act and the Rules, ensuring that all Projects/Programmes are duly implemented as budgeted. This will be done on the basis of the following:

- a. Regular field visits to Project/Programme sites by designated CSR Officials of the Company;
- b. Comprehensive documentation/compilation of Field Reports;
- c. Regular interaction with beneficiaries to obtain feedback while on field visit;
- d. Monitoring of timely fund utilization to ensure that Projects/Programmes as budgeted are actually being carried out and/or
- e. Any other activity that the CSR Committee may deem necessary in the larger interest of its CSR initiatives.

The Company shall develop Appropriate Reports/Worksheets to monitor the CSR activities conducted. The surplus arising out of the CSR activities undertaken shall not form part of the business profit of the Company.

IMPACT ASSESSMENT

The Board of the Company shall ensure that impact assessment to be undertaken through an independent agency for the CSR projects having outlays of minimum one crore rupees and which have been completed not less than one year before undertaking the impact assessment. If required, the Impact assessment may also be undertaken by the recipient or by the implementing agency as required by and in the manner set out under the Act, Impact assessment reports shall be placed before the Board and shall be annexed to the report on CSR. For undertaking impact assessment, the Company may incur expenditure up-to 2% of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

AMENDMENTS TO THE CSR POLICY

The Board of Directors of the Company shall have the power to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee to confirm the revision/amendment,if any, to be made to the CSR Rules by the MCA, under the Act.

ADOPTED ON

This policy was adopted by the Board of Directors of the Company in its meeting held on March 04, 2024. The revised policy was adopted by the Board of Directors of the Company in its meeting held on December 20, 2024.
