

TABLE OF CONTENTS

BACKGROUND AND CSR VISION:.....	2
DEFINITIONS:.....	2
SCOPE:.....	3
CSR ACTIVITIES FOR IMPLEMENTATION:	3
CSR EXPENDITURE	4
EXECUTION PROCESS	4
ROLE OF THE CSR COMMITTEE:.....	5
ROLE OF THE BOARD	5
CSR MONITORING FRAMEWORK	6
CSR REPORTING FRAMEWORK.....	6
DISCLOSURE OF THE POLICY.....	6
FREQUENCY OF MEETINGS	6
QUORUM.....	7
CHAIRMAN AND SECRETARY	7
MINUTES OF THE COMMITTEE MEETING	7
AMENDMENTS TO THE POLICY.....	7



TEGA INDUSTRIES LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY

BACKGROUND AND CSR VISION:

Corporate Social Responsibility (CSR) is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Corporates must recognize that their business activities have wide impact on the societies in which they operate.

Tega Industry Limited's (the "Company") CSR philosophy is 'Do Good to Do Well and Do Well to Do Great'. The Company's vision is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company industry and society at large.

At the Company, CSR has effectively evolved from being engaged in passive philanthropy to corporate investments, which takes the form of a social partnership initiative creating value for stakeholders. The Company's CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

Accordingly, in accordance with the provisions of Section 135 of Companies Act, 2013, read along with the applicable rules thereto, the Company has adopted this amended CSR Policy (this "Policy") at its meeting held on 3rd August 2021, which can be amended from time to time. There is already a duly constituted Corporate Social Responsibility (CSR) Committee of the Company which was last re-constituted by the Board of Directors of the Company at their meeting held on 30th April 2021.

DEFINITIONS:

1. "Act" means Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).
2. "Corporate Social Responsibility" ("CSR") means and includes, but is not limited to projects or programs relating to activities specified in Schedule VII of the Act, but contribution directly or indirectly to the political party, business done by the Company in its normal course, activities only for the benefit of employees and activities done outside India will not be considered as CSR activity.

3. “CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
4. Net Profit means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (i.e. section 198), but shall not include the following vis:
 - (a) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
 - (b) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be recalculated in accordance with the provisions of the Act.

5. CSR Expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities specified in this policy as approved by Board on recommendation of CSR Committee only on the activities prescribed in this policy will be considered as CSR expenditure.

SCOPE:

This policy shall apply to all CSR projects/ programs/activities undertaken by the Company in India as provided under schedule VII of the Act.

CSR ACTIVITIES FOR IMPLEMENTATION:

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 of the Act, read together with Schedule VII of the Act. The wide category of activities which the Company may undertake as CSR activities are as follows:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water company can undertake programs for educating the peoples;
2. Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and differently abled and livelihood enhancement projects;

3. 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;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
5. Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art: setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognised sports, paralympic sports and 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 and relief and welfare of the Schedule Castes, the scheduled tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects;
11. Slum area development; and
12. Any other activities as listed in Schedule VII of the Act.

CSR EXPENDITURE

The CSR activities undertaken in India only shall amount to CSR Expenditure. CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

EXECUTION PROCESS

The Company may undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established by the Company or its holding or Subsidiary or associate Company under section 8 of the Act or otherwise.

The Company may also undertake CSR activities through any trust, society or section 8 Company which is not established by the Company or its holding or subsidiary or associate Company, if such trust, society or section 8 company shall be having an established track record of three years in undertaking similar

programs or projects or where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

The Company may also collaborate with other companies for undertaking projects or programs 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 programs.

ROLE OF THE CSR COMMITTEE:

1. Formulating and recommending to the Board, Corporate Social Responsibility in compliance with Section 135 of the Act.
2. Identifying the activities to be undertaken as per schedule VII of the Act.
3. Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
4. Recommending the amount of CSR expenditure to be incurred on the earmarked CSR activities.
5. Monitoring the implementation of the CSR Policy from time to time.
6. Such other functions as the Board may deem fit.

ROLE OF THE BOARD

1. After taking into account the recommendations made by the CSR Committee, approving the CSR policy for the Company.
2. Disclosing the content of the policy in its report and placing the policy on the Company's website in the manner prescribed under section 135 of the Act.
3. Ensuring that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
4. Ensuring that the CSR activities are related to the activities, areas or subjects included in Schedule VII of the Act.
5. Ensuring that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.

As per Section 135 of the Act, specifying the reasons for under spending the CSR amount in the Board's Report, in case the Company fails to spend such amount.

Any surplus arising from CSR projects, programs or activities shall not form part of the business profit of the Company (but will, instead, be carried forward to the following year/s as part of either the CSR corpus or as a supplement to the CSR budget.)

CSR MONITORING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will provide a report, along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time, on a quarterly basis, as a part of the evaluation process under the monitoring mechanism.

CSR REPORTING FRAMEWORK

The CSR Committee will obtain feedback from beneficiaries about the programmes and report to the Board of Directors, the feedback received from the beneficiaries of CSR Activity. Appropriate documentation of Company's CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available on the website of the Company. CSR initiatives of the Company will also be reported in the Annual Report of the Company containing particulars as specified in the Act. |

DISCLOSURE OF THE POLICY

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

FREQUENCY OF MEETINGS

The meetings of the Committee could be held at such periodic intervals as may be required.

QUORUM

Minimum two (2) members shall constitute a quorum for the Committee meeting.

CHAIRMAN AND SECRETARY

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman. The Company Secretary of the Company shall act as Secretary of the Committee.

MINUTES OF THE COMMITTEE MEETING

Minutes of the proceedings of all meetings must be made and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

AMENDMENTS TO THE POLICY

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

INTERPRETATION

In case of any conflict between the provisions of this Policy and provisions of any applicable law, the provisions of the applicable law shall prevail over this Policy. Any subsequent amendments/modifications in the provisions of applicable law shall automatically apply to this Policy.