



AACHI MASALA FOODS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

I) PREAMBLE

AACHI MASALA FOODS PVT. LTD (“AMFPL” or “the Company”) believes in giving back to society to uplift lives of the poor and needy. With every step forward, AMFPL taken care to make a positive impact on society and empower people with meaningful initiatives. Enhancing people’s lives has been an integral part of the company’s business progression. Keeping this in mind, AMFPL have remained committed to a wide range of CSR activities.

The Companies Act 2013 requires the Companies having net worth of Rs.500 crore or more, or turnover of Rs. 1,000 crore or more, or a net profit of Rs.5 crore or more during the immediately preceding financial year, shall constitute a Corporate Social Responsibility Policy and ensure to spend at least 2 per cent of the average net profits of the immediately preceding three years on CSR activities.

Further to above stated, the Board has approved this CSR Policy which has been formulated and proposed by the CSR Committee with an objective to outline its CSR focus areas, recommending the amount of CSR Expenditure, execution process, review & monitoring mechanism and reporting process to the management and the Board of Directors of the Company.

II) OBJECTIVES OF CSR POLICY

This Policy will focus on constitution or re-constitution of CSR Committee, roles and responsibilities of CSR Committee, CSR activities to be undertaken and allocation of funds for carrying out such CSR activities, Implementation and monitoring the execution of CSR activities for the Company.

The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

III) ACTIVITIES UNDER CSR PURVIEW FOR AMFPL

The CSR Policy of AMFPL primarily focuses on addressing Health care, Education, Environmental Sustainability, Women empowerment, Eradicating Hunger & Poverty, Rural Development and other economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with the AMFPL’s vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

The Company shall undertake any of the following activities or projects as enumerated in Schedule VII of the Companies Act 2013 or such other activities or projects as may be notified by the Ministry of Corporate affairs from time to time as part of the Corporate Social Responsibility which shall include:

(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;

(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) measure for the benefit of armed force 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 recognized sports, Paralympic sports and Olympics sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;

(ix) 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.

(x) Rural Development Projects

(xi) Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time.

IV) CSR COMMITTEE

A) Composition of CSR Committee: The Corporate Social Responsibility Committee (CSR Committee) shall consist of two or more directors. Current composition of CSR Committee shall:

- i) Mr. A D Padmasingh Isaac, Chairperson
- ii) Mr. P. Ashwin Pandian, Member
- iii) Mr. P. Abishek Abraham, Member

B) Roles and Responsibilities of CSR Committee

- i) The CSR Committee shall formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ii) The CSR Committee shall formulate and recommend to the Board an Annual Action Plan recommending the amount of expenditure to be incurred on the activities, as per CSR Policy and based on the approval of the Board, required funds shall be infused into the CSR activities. The Board of the Company may approve or alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.
- iii) The Committees shall institute a monitoring mechanism for implementation of the CSR activities, towards which end, progress updates on CSR activities undertaken, shall be submitted to the Board from time to time.
- iv) Any other matter as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

C) Time Line: The CSR Committee shall meet as and when deemed necessary as prescribed under the Companies Act, 2013.

V) CSR OUTLAY & EXPENDITURE

The company shall endeavour to expend in every financial year, at least 2% of the average net profits earned during the 3 immediately preceding financial years, in pursuance of this Policy and in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014.

- (i) CSR expenditure will include all expenditure incurred by the Company on CSR Programmes / Projects undertaken in accordance with the approved Annual Action Plan.
- (ii) The CSR committee shall ensure proper utilization of the budget and shall periodically monitors the budget utilization and provides proper suggestion to the CSR implementing agency / CSR team. The CSR team or agency, which strategizes and plans CSR, will develop detailed Project Plans and indicate the Budget required from time to

time. The CSR committee shall verify these Plans & Budgets and will recommend them to the Board for approval.

- (ii) Any unspent CSR amount or excess spent CSR amount shall be dealt with as provided in sub-section (5) & (6) of section 135 of the Companies Act 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII to the Companies Act, 2013, as amended from time to time.

VI) IMPLEMENTATION, MONITORING AND REPORTING PROCESS

Implementation

The CSR activities can be carried out by the company either directly or through any Implementing Agencies or through a combination of both methods. The Company may undertake the implementation of CSR projects through the following methods:

- (i) Undertaking the CSR activities by the Company itself (directly); or
- (ii) a company established under section 8 of the Act, or a registered public trust or a registered society, or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- (iii) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (iv) any entity established under an Act of Parliament or a State legislature; or
- (v) a company established under Section 8 of the Act, or a registered public trust or a registered society, or registered under section 12A and approved under 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- (vi) Every entity, covered under above, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies and to obtain CSR Registration Number, with effect from the 1st day of April 2021 as prescribed under the Companies Act, 2013 and rules made thereunder:

Monitoring and Reporting Process

The CSR Committee shall ensure transparent monitoring mechanism for CSR activities.

- (i) The CSR Committee shall review the progress of CSR activities and submit report to the Board of Directors for approval.
- (ii) The Company may constitute/re-constitute a CSR Executive Team/Committee under the supervision of the Chairperson of CSR Committee of the Company, from time to time for the purpose of monitoring the progress of various CSR activities, Implementation, Manner of execution, Utilisation of funds and Timeliness of implementation.

(iii) The CSR Policy, Projects approved by the Board and Composition of the CSR Committee shall need to be disclosed in the Company website, if any, for public access.

VII) AMENDMENTS TO THE POLICY

Amendments from time to time to the CSR Policy, if any, shall be considered by the Board of Directors based on the recommendations of the CSR Committee.
