



ADF FOODS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Introduction:

This policy has been framed in accordance with the provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility along with the Companies (CSR) Rules, 2014 have become applicable w.e.f 1st April, 2014.

The CSR activities/projects shall be undertaken or donations shall be made by the Company to assist weaker and underprivileged sections of the society.

Applicability:

In every financial year , in which the Company has a Net worth of INR 500 Crores or more; or Turnover of INR 1,000 Crores or more; or Net Profit of INR 5 Crores or more it is required to spend **2% of the average net profits (Profit Before Tax) of the last three financial years** on CSR activities.

CSR Committee:

CSR Committee will be a Board level committee known as Corporate Social Responsibility Committee. The constitution of CSR Committee is in accordance with the applicable provisions of the Act and comprises of the Managing Director and two Independent Directors.

The CSR Committee comprises of following Directors:

1. Mr. Viren A. Merchant, Chairman [Non-Executive Independent Director];
2. Ms. Anjali K. Seth, Member [Non-Executive Independent Director];
3. Mr. Bimal R. Thakkar, Member [Chairman & Managing Director]; and
4. Mr. Jay Mehta [Non-Executive Non-Independent Director] - (appointed w.e.f. June 1, 2019)

The composition of the CSR Committee may be changed by the Board of Directors of the Company.

The Committee shall formulate CSR Policy, recommend the amount of expenses to be incurred in each CSR activity/project/program and monitor CSR policy on annual basis.

CSR Activities as per Schedule VII and CSR Rules:

1. 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.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the 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 centres 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, 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.
5. 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 art 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, 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

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.

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

Guidelines for CSR activities/projects/programs:

The Company may decide to undertake CSR activities/projects/programs as may be recommended by the CSR Committee.

Provided that –

1. A Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committee is in a position to report separately on such projects or programs in accordance with the CSR Rules;
2. The CSR projects shall be only taken up in India;
3. The CSR projects or programs or activities shall not only benefit the employees of the Company;
4. Company shall not contribute to any Political Party under CSR activities.

Guidelines for monetary contributions:

The Company may decide to grant donations to a registered trust/ a registered society/ a company established by the company or its holding or subsidiary or associate company under section 8 of the Act/by such institutions as mentioned in the Act:

Provided that-

If such trust, society or company is not established by the company or its holding or subsidiary or its associate company, it shall have an established track record of three years in undertaking similar programs or projects;

Accounting and reporting:

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the

recommendation of the CSR Committee. The report will be presented to the Committee at the end of each financial year.

Any surplus arising out of CSR projects/programs/activities shall not form part of the business profit.

The Board's Report shall include CSR report in the prescribed format on an annual basis.

The contents of CSR policy shall be disclosed in the Board's Report and the same shall be displayed on the Company's website.
