



ANIK MILK PRODUCTS PRIVATE LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY



**ANIK MILK PRODUCTS PRIVATE
LIMITED**

"CORPORATE SOCIAL RESPONSIBILITY POLICY"

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ANIK MILK PRODUCTS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREAMBLE

Anik Milk Products Private Limited (“the Company”) is committed to improve the lives of the society in which it operates. As a Company, we are committed to conducting and governing ourselves with ethics, transparency and accountability and to this, we have developed governance structures, practices and procedures that ensure that ethical conduct at all level is promoted across our value chain.

The Company believes in “looking beyond business” and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as a whole. We understand that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company’s responsibilities towards the community.

We firmly believe that to succeed, an organisation must maintain highest standards of corporate behaviour towards its investors, stakeholders, employees and societies in which it operates. We are committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen

2. OBJECTIVE

- i) To ensure best corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare.
- ii) To initiate the process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies.
- iii) To actively contribute to the social, environmental and economic development of the society in which we operate.
- iv) To uphold the commitment of the Company to provide an environment which facilitate to the society at large and spreading the values to its stakeholders.
- v) To ensure effective implementation of policy to ensure attainment of economic, environmental and social objectives with the company's operations and growth.

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3. PURPOSE

The purpose of this policy is to lay down the guidelines for Corporate Social Responsibility & effective implementation thereof. The key purpose of this policy is to:

1. Define what CSR means to us and the approach adopted to achieve our CSR goals.
2. Define the kind of projects that will come under the ambit of CSR.
3. Identify broad areas of intervention in which the company will undertake projects under the policy.
4. Serve as a guiding document to help execute and monitor CSR projects

4. CSR APPLICABILITY

Corporate Social Responsibility is not a new concept in India, The Ministry of Corporate Affairs, Government of India has recently **notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto** which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfil the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility.

As per section sub section 1 of Section 135 of the Companies Act, 2013, the following companies shall be required to constitute a Corporate Social Responsibility Committee of the Board" with effect from 1st April, 2014:

- having Net worth of INR 500 crore or more;
- or Turnover of INR 1000 crore or more;
- or Net Profit of INR 5 crore or more during any financial year

The above provision requires every company having such prescribed Net worth or Turnover or Net Profit shall be covered within the ambit of CSR provisions. The section has used the word "companies" which connotes a wider meaning and shall include the foreign companies having branch or project offices in India.



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5. GOVERNANCE STRUCTURE

The Company has constituted a **Corporate Social Responsibility Committee** ("**CSR Committee**") of the Board of Directors of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013, consist of following members of the Board of Directors of the Company as members of CSR Committee to oversee the implementation of the CSR policy of the company in accordance with the requirements of Section 135 of the Companies Act:

1. *Mr. Rahulkumar Srivastava, Managing Director as Chairman*
2. *Mr. Martial Jacques Elian Sekely, Director as Member*
3. *Mr. Yannick Paul Philippe Houvet, Director as Member*

6. FUNCTIONS OF THE CSR COMMITTEE:

The Corporate Social Responsibility (CSR) Committee shall:

- recommend CSR activities as stated under Schedule VII of the Companies Act, 2013;
- recommend the CSR Budget;
- obtain the status of Spends made out of the allocated CSR amount on the CSR activities by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- create transparent monitoring mechanism for implementation of CSR Initiatives in India;
- submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- monitor CSR Policy from time to time;
- authorize executives of the Company to attend the CSR Committee Meetings.



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7. DEFINITIONS

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or re-enactments thereof.

"Act" means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

"Agency" or "Agencies" shall mean any Section 8 Company under the Act or a registered trust/society/Non-Government Organisation/Institution performing social services for the benefit of the society at large.

"Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation: Significant influence means control of at least 20% of total share capital or of business decisions under an agreement.

"Average Net Profit" means profit calculated as per Section 198 of the Companies Act, 2013.

"Board" means the Board of Directors of the Company.

"Board's Report" shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.

"Company" means *Anik Milk Products Private Limited*.

"CSR" means Corporate Social Responsibility as per section 135 of the Companies Act, 2013.

"CSR activities" means the activities or projects or programmes as recommended by the CSR Committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the Schedule VI to the Companies Act, 2013.



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"**CSR Expenditure**" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following;

"**CSR Committee**" means the Committee of the Board constituted under section 135 of the Act for the purpose of administration of CSR activities, supervising the adherence of this CSR Policy and the matter incidental thereto.

"**CSR Policy**" means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

"**CSR Rules**" means Companies (Corporate Social Responsibility) Rules, 2014.

"**Financial Year**" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

"**Net profit**" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely:

- (i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
- (ii) any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act.

8. CSR ACTIVITIES

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014 and the scope of the same has been widened by Ministry of Corporate Affairs by issuance of various General Statutory Rules (GSR) and circulars:



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Activities included by our company in its Corporate Social Responsibility Policies
Activities relating to: –

- (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 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 art 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;
- (viii) contribution to the prime minister's national relief fund 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) (a) Contribution to incubators or research and development projects in the



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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) 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.

- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

Important points to be considered:

- The CSR activities (either new or ongoing) shall be undertaken by the Company in accordance with this policy and shall exclude activities undertaken in pursuance of its normal course of business.
- Subject to the provisions of section 135(5) of the Act, the CSR projects or programs or activities undertaken in India only shall qualify for CSR expenditure.
- The CSR programs or projects or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with the Act.



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- Contribution of any amount directly or indirectly to any political party under section 182 of the Act shall not be considered as CSR activity.
- Companies may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the company in one financial year.

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

Modalities of Execution & Implementation:

- a) The Board of a company may decide to 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: Provided that—
 - (i) if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
 - (ii) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
- b) A 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 in accordance with these rules

Expenditure not covered or recognised

In terms of the Rules, the following contributions shall not be considered as CSR Expenditure;

- i) Contributions of any amount, whether directly or indirectly, to any political party or any person associated with a political party.
- ii) Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.



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- iii) Expenses incurred by the Company for the fulfilment of obligations any act/statute of regulations (such as labour laws, land acquisition act etc.)
- iv) Expenses incurred by the Company for one off events such as marathons/awards/charitable contribution/advertisement/sponsorships of TV programs etc.
- v) Other contributions/expenses not recognized under the Act/Rules as amended or modified, from time to time.

9. CSR EXPENDITURE

- i) As per the provisions of Companies Act, 2013, the Board shall ensure that the Company spends in every financial year, *at least 2% of the average net profits of the Company made during the three immediately preceding financial years.*
- ii) CSR Committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.
- iii) 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 its 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.*
- iv) The Company shall endeavour to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.
- v) The Company has an option to carry forward such un-spent money to next year by depositing it in a separate CSR Fund (Corpus) created by the company or to contribution to the corpus of a Trust/Society/Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities.

10. CSR REPORTING:

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.



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11. MONITORING OF CSR ACTIVITIES:

CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The committee shall ensure that;

- i. Company undertakes the CSR activities as provided in the CSR policy
- ii. The projects/ programs are implemented as per the program approved by the board
- iii. The budget allocated for each of the project is utilized for the projects as per the approved plans.
- iv. The objective of the project/program is achieved as per the plans
- v. Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation of monitoring of the project.

12. AMENDMENT OF POLICY:

The CSR policy of the company may be amended at any time by the board of the company on the Recommendation of the CSR committee.

13. MANAGEMENT COMMITMENT:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.
