

CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
MALAS FOOD PRODUCTS PRIVATE LIMITED

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1. PREAMBLE

Corporate Social Responsibility is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. These activities need to be seen as those which would, in the long term, help secure a sustainable competitive advantage.

Pursuant to provisions of section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 every Company having Net worth of Rs.500 Crores or more or turnover of Rs. 1000 Crores or more or Net Profit of Rs.5 Crores or more shall constitute Corporate Social Responsibility Committee (CSR Committee) and same shall formulate and recommend policy.

The Committee so constituted formulated and recommended the Board of Directors a CSR Policy for its approval. The Board in its meeting held on 06th May, 2022 has inter alia considered and approved CSR policy with immediate effect.

2. OBJECTIVE

The objective of the “Malas Food Products Private Limited” CSR Policy is to:

- a) Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- b) Directly or indirectly take up programmes that benefits the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic and literacy percentage society at large
- c) Directly or indirectly take up programmes that benefits the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic and literacy percentage society at large.

3. **KEY WORDS AND MEANINGS**

Act- means the Companies Act, 2013 as amended from time to time

CSR- means Corporate Social Responsibility

CSR Policy – means the policy approved by the board as the Corporate Social Responsibility policy of the company as amended from time to time.

CSR Rules or Rules – means Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

Policy Objectives –The objective of the CSR Policy (“Policy”) is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility (“CSR”) within the meaning of Section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014. (“Rules”)

4. **CSR ACTIVITIES**

The policy recognizes that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improves the lives of underprivileged by one or more of the following focus area as notified under Section 135 of Act and rules made thereunder.

1. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation & making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly & the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women & orphans; setting up old age homes, day care centers, and such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water;

5. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up of public libraries; promotion & development of traditional arts & handicrafts;
6. Measures for the benefit of armed forces veterans, war widows & their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympics sports & 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 & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government
10. 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).
11. Rural development projects
12. Slum area development.
13. Disaster management, including relief, rehabilitation and reconstruction activities

5. CONSTITUTION OF CSR COMMITTEE

Company have formed CSR Committee of members of Board of Directors shall be ultimately responsible for undertaking and monitoring CSR projects. The committee shall report Board of Directors of the Company.

a) Committee Members

Sr. No.	Name of the members	Designation
1	Mr. Mufaddal Taiyab Mala	Chairman
2	Mr. Murtaza Taiyab Mala	Member

b) Role of the Committee

- Formulate, review and update CSR policy
- Identify the areas for undertaking CSR Projects
- Approve the projects which are in line of CSR policy
- Formulate and recommend of the CSR expenditure
- Lay down monitoring and reporting mechanism

6. ACTIVITIES WHICH SHALL NOT BECOME PART OF CSR ACTIVITIES

CSR Activities however shall not include following activities:-

- a) Activities undertaken in pursuance of Company's normal course of business;
- b) Activities which benefit only the employees of the Company and their families;
- c) Contribution directly or indirectly to any political parties;
- d) Activities undertaken outside the country;
- e) Activities concerned with religion like construction of temple/mosque etc.;
- f) Activities disturbing social harmony in any manner;
- g) Such other activities as may be prohibited by Central Government

7. BUDGET FOR CSR ACTIVITY& CSR EXPENSES

Company pledges to contribute at least 2% of the average net profits of the Company made from the date of incorporation of the company specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Company may enhance the expenditure amount in accordance with the growth and profitability of the company in future.

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 approved CSR activities.

8. IMPLEMENTATION

The Company shall undertake CSR project/programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy.

The Company shall implement its CSR programmes/projects:

- On its own, through the relevant HR or CSR Department; or
- Through its own foundation (if applicable) specifically created for implementing its CSR initiatives; or
- The Company may enter into partnerships or alliances with NGOs, Trusts, or other Corporate Foundations etc. to effectively implement its CSR programmes/projects; or
- Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Act; or
- The Company can also implement programme in collaboration with other company (ies), if permissible and feasible.

The Company shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners and shall be subject to provisions of Section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Charitable Trusts, Sections 8 companies, registered societies, NGO's and such other organizations carrying out the CSR activities, shall register itself with the Central Government (MCA) by filing the **Form CSR-1** electronically with the Registrar, with effect from the 01st day of April 2021 and obtain a unique CSR Registration Number.

The CSR Committee shall recommend the annual CSR Expenditure Budget to the Board for its consideration and approval;

Programme / activities to be undertaken by the Company under the CSR shall be as approved by Board of Directors (the Board) in pursuance of recommendations of the CSR Committee of the Board.

A specific budget shall be allocated for each specific CSR activity/project. This budget shall be project/activity driven. The time period/duration over which the activities will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the person responsible for financial management shall certify to the effect.

The CSR Committee could, from time to time, recommend donating or making grants to the PM's fund or funds set up by the Central and State Governments or to non-profit organizations and other institutions whose activities are aligned with the Company's CSR.

The Company can now incur Administrative overheads which will mean expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme. Thus, the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company will be covered under Administrative overheads. The expenses directly incurred by the company for "designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme" shall be considered as CSR expenditure and not administrative overheads.

9. ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- a) The list of CSR projects or programmes run by implementation agency that are approved to be undertaken in areas or subjects specified in Schedule VII of the act;
- b) The manner of execution of such projects or programmes;
- c) The modalities of utilization of funds and implementation schedules for the projects or programs;
- d) Monitoring and reporting mechanism for the projects or programmes; and
- e) Details of need and impact assessment, if any, for the projects undertaken by the company:

Provided the Board of Directors may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

10. ACQUISITION OF CAPITAL ASSETS

The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by:

- a) A company established under section 8 of the Act, or a Registered Public Trust Registered Society, having charitable objects and CSR Registration Number under Rule 4(2); or
- b) Beneficiaries of the said CSR project, in the form self help groups, collectives, entities; or
- c) A public authority:

11. MANAGING UNSPENT CSR EXPENDITURE/SURPLUS ARISING OUT OF CSR

As sub-section (5) of Section 135 of the Companies Act 2013, if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Further, any amount remaining unspent under sub-section (5) of Section 135, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty

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 in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

12. MONITORING AND REPORTING

The CSR Committee shall prepare and implement proper and transparent monitoring and reporting system for CSR project and shall report Board of Directors periodically. A progress of monitoring and reporting framework should be aligned with the requirements of Section 135 of the Companies Act 2013 and the CSR Rules.

Further Directors Report shall be annexed with Annual CSR Report in format as prescribed and as required by provisions of Act.

13. GENERAL

a) In case of any doubt with regard to any provision of the policy and also in respect of matters and not covered herein, a reference to be made to CSR committee. In all such matters, the inputs and the final decisions/interpretation shall rest with the chairman of the committee.

b) The company reserve its right to modify, cancel, add or amend any of this rules. However, this policy, in whole or part, shall stand modified/amended from time-to-time, without any further act on the part of the Company, as and when there would be any statutory modifications amendments/revisions to the applicable provisions thereto.

For Malas Food Products Private Limited

Date:

Place:

MUFADDAL TAIYAB MALA
Chairman