



Hindustan Foods Limited

Corporate Social Responsibility Policy

HINDUSTAN FOODS LIMITED



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1. Preamble

This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by Hindustan Foods Limited (the Company) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs.

The management of the Company expresses its willingness and support to the CSR concept, its legal framework and shall abide to it.

2. Purpose

The key purposes of this policy are to:

- Establish a consistent corporate social responsibility (hereafter referred to in short as CSR) framework for the Company
- Identify broad areas in which CSR projects will be undertaken
- Serve as a guide in defining, executing, monitoring and reporting all CSR projects
- Enable capability assessment of CSR implementation agencies
- Explain CSR governance structure
- Define the manner in which the surpluses from CSR projects will be treated.

3. Policy Statement

The CSR vision of the Company is to become the most admired company of the region by doing business the ethical way and embed the ethos of a socially and environmentally responsible corporate citizen in its strategy and activities. Coupling its regular business with innovative and creative choices in CSR, the Company endeavours to contribute meaningfully to nation-building.

4. Scope of the Policy

This policy applies to all CSR projects undertaken by the Company and aims to fulfill the requirements of the Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereafter, referred to as the Act and the Rules). The Company shall ensure all these activities are carried out over and above its normal course of business and are in line with Schedule VII of the Act.

4.1 Policy Review

This policy will be periodically reviewed and updated in line with relevant changes in legislation.

5. Channel for Company CSR Initiatives

The CSR projects and programmes of the Company may be implemented through foundations, charitable trusts, not-for-profit companies set up under Section 25 of the Companies Act, 1956 (corresponding to Section 8 of the Companies Act, 2013) and/ or through recognized and reputed NGOs and similar entities. These may also be undertaken by the Company by itself or in collaboration with its subsidiaries or any company or entity of the Group and non-profit entities or as decided by the Board from time to time.

6. Key Focus Areas

The Company has completed and has been executing several social responsibility programmes and projects for the community, in the course of which it came to train its focus on to a few key areas of commitment. The Company identifies the importance of engaging with the community through these areas, and intends to conceptualise and carry out its projects in terms of these focus areas in and around the areas of its operations.

6.1 Education

Education is one of the most important areas of positive intervention in the Company's efforts to be a socially responsible corporate citizen. To ensure wholesome involvement in the sector, emphasis has been placed not only on students, but also on projects of research, scholarships, and fellowships involving scholars, teachers, schools and educational institutions through workshops, donations awards and grants.

6.2 Health and Sanitation

The Company intends to make efforts to mainstream sanitation into the public consciousness as a key to hygiene and health, besides initiatives into health care for all sections of the community, with a sharper focus on women and children.

6.3 Environment & Sustainable Development

The Company is fully conscious of the need to protect the environment and conserve natural resources in order to ensure sustainable growth for itself as a contributor to the sustainable development of the nation. The Company will have a special focus on helping local communities and entities, including schools, in taking initiatives promoting environmental protection and sustainability.

6.4 Sports

The Company places considerable emphasis on promotion of sport in terms of a specially formulated policy encouraging excellence in youth in sporting disciplines other than those which already enjoy mass support such as football or cricket' The Company ensures its aims by means of promotion of the pursuits of promising sportspersons including assistance towards the costs of their tournament participation, travel, coaching, nutrition and kit..

6.5 Art & Culture

Undertaking of cultural endeavours promoting Goan artistic traditions with the aim of conserving Indian heritage is an important focus area Company in its social responsibility objectives. Literature, performing arts, ethnography, folk traditions, concerts, events and cultural history have been subjects taken up in such socio-cultural projects so far. The Company shall continue to strive to preserve and promote works, symbols and physical manifestations of cultural significance to its local communities. .

6.6 Affirmative Action

One of the areas in which the Company intends to engage is Affirmative Action. Through innovative, proactive projects and projects of scholarship and assistance either on its own volition or through association with Industry bodies and other companies or entities, the Company supports the all-round educational betterment and employability of members of underprivileged communities.

7. Governance Structure

A robust and transparent governance structure has been constituted to oversee the implementation of the CSR projects of the Company, in compliance with the requirements of Section 135 of the Companies Act, 2013.

7.1 Board CSR Committee

The CSR governance structure will be headed by the CSR Committee of the Board of Directors of the Company hereafter called the Board CSR Committee..

7.1.1 Members

The Board CSR Committee will comprise the following members of the Company's Board of Directors (hereafter called the Board):-

1. Mr. Sameer Kothari (Chairman of the Committee)
2. Mr. Ganesh T Argekar (Member)
3. Mr. Shashi K Kalathil (Member)



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7.1.2 Responsibilities

- Formulate and recommend the CSR Policy for approval of the Board.
- Approve projects that are in line with the CSR policy.
- Set up monitoring mechanisms to track the progress of each project.
- Amend the CSR policy in line with statutory requirements Recommend CSR expenditure to the Board for its approval.
- Review new proposals and the status of existing projects.

8. CSR Budget

The CSR annual budget will be decided as a part of the Company's annual budget review exercise. Any surpluses generated from CSR projects will not form part of the business profits of the Company or be utilized in its business but ploughed back to meet its continuing CSR objectives.

9. Project Life-cycle

The CSR projects of the Company are strategically planned and managed. The key stages of a project are:

9.1. Identification of activities/projects:

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the Company operates or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

9.2. Implementation process:

After prioritizing the activity the Committee shall finalise the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

9.3. Organisational Responsibility:

At organisational level for implementation of agreed CSR activity, the committee may constitute an implementation team or authorised any of the Department of the Company to

organize for the implementation of the CSR activity. The team or respective department shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

9.4. Monitoring by the Board:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

9.5. Compliance and Reporting to Board:

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further work to do in the concern CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

9.6. 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.