

**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**OF**

**SIGNATURE INTERNATIONAL FOODS INDIA  
PRIVATE LIMITED**

## 1. Scope and Applicability

Corporate Social Responsibility Policy (“the Policy” or “this Policy”) applies to Signature International Foods India Private Limited (“Signature Foods India” or “Company”). This Policy shall be applicable to all Corporate Social Responsibility (“CSR”) activities taken up by the Company at various locations in India for the benefit of different segments of the society at large, especially the deprived and underprivileged.

## 2. Objective of the Policy

The Policy is designed to describe the governance and monitoring framework for Signature Foods India when making contributions / donations towards CSR activities under the provisions of Section 135 of the Companies Act, 2013 (“Act”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Rules”) framed thereunder (“CSR Provisions”). The purpose of the Policy is to facilitate organized and approved contributions / donations to impact the society towards welfare and sustainable development of the community in line with the CSR activities permitted under Schedule VII of the Act and in the manner as specified in CSR provisions.

## 3. Definitions

3.1. “**Board**” means the Board of Directors of the Company.

3.2. “**CSR activities**” shall mean projects / programmes undertaken by the Company either directly or indirectly pursuant to Section 135 of the Act read with Schedule VII thereto and Rules and in accordance with this Policy.

3.3. “**CSR Committee**” means the Corporate Social Responsibility Committee of the Company.

3.4. “**Implementation Agency**” any registered trust, society under the Income Tax Act, 1961, any registered trust /society established by Central or State government or section 8 company or any entity established under an Act of parliament or a state legislature, on behalf of the Company in compliance with the CSR Provisions.

3.5. “**Ongoing Projects**” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

## 4. Guiding principles for CSR

- a) The CSR Activities pursued under this Policy shall relate to one or more activities listed in Schedule VII to the Act.
- b) For the purposes of CSR spend, the Company shall give preference to the local areas wherein it operates or has its offices.

- c) The Company shall endeavor to maintain utmost transparency in selection of Implementation Agencies, implementation, monitoring and reporting of CSR Activities.
- d) Corporate charitable contributions / donations funds may not be used for the following:
  - Political causes, candidates, organizations, or campaigns,
  - Religious, sectarian or, fraternal, organizations,
  - For-profit ventures,
  - For activities benefiting only employees.
  - Activities undertaken pursuant to the normal course of business of the Company.
- e) Contributions / donations must not be made for the purpose of influencing a government official (which may also include physicians affiliated with and/or employed by Government institutions and/or hospitals) or to a political party or in respect of any other situation where the contribution/donation could be construed as a bribe.
- f) The Company shall ensure that all the CSR Activities are implemented as per the approved Annual Action Plan, authorized by the Board.
- g) The Company shall take necessary steps to ensure the CSR activities pursued are monitored using appropriate monitoring tools / mechanism such as periodic reviews, self-assessments and / or third-party audits/ certifications.

## **5. Focus areas**

5.1. Signature Foods India believes it is incumbent on the Company to give back to the communities in which it operates. The goals of CSR program are consistent with the Company's goals and values. It is Signature Foods India's intent to pursue philanthropic endeavors by supporting organizations and activities that co-relate to our strategic priorities. Signature Foods India's philanthropic outreach will be guided by following activities:

- Eradicating hunger, poverty, and malnutrition,
- Promoting health care including preventive health care (which includes CSR spend for the Covid-19 pandemic) and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation.
- Promoting education.
- Promoting gender equality.
- Promoting environmental sustainability.
- Protection of heritage, art and culture.
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Contributions or funds provided to incubators or research and development projects in the field of science, technology, engineering, and medicine funded by the Central / State Government / PSU or any agency of the Central or State Government.
- Rural development projects.
- Slum area development.

- Contributions to public funded universities, medical universities / institutions, institutes in the field of technology, biotechnology, science, defense, pharmaceuticals etc. engaged in conducting research in science, technology, engineering, and medicine aimed at promoting Sustainable Development Goals (SDGs).
  - Disaster management, including relief, rehabilitation and reconstruction activities.
- Such other activities as may be specified under Schedule VII of the Companies Act, 2013.

## **6. Implementation approach and Modalities**

The Company shall undertake such CSR activities as recommended by the CSR Committee and approved by the Board from time to time pursuant to Schedule VII and Section 135 of the Act read with Rules framed thereunder. The corporate philanthropy program will be administered at the Signature Foods India Board level by the CSR Committee.

### **6.1 CSR Committee:**

Signature Foods India will constitute a CSR Committee comprising of minimum two directors. The CSR Committee will be assisted by a team of employees who will support the strategy and implementation of the CSR programme in line with the CSR Policy.

The Committee will meet as and when required to measure the CSR progress and to review and discuss agenda for CSR activities and suggest modifications, if any.

### **6.2 Implementation agency:**

- I. CSR activities shall be executed either directly by the Company and / or through the following Implementation agencies under the CSR Provisions:
  - Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company,
  - Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government,
  - Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities,
  - Any entity established under an Act of Parliament or a State legislature.
- II. Criteria for eligible Implementation agencies through which Signature Foods India may donate funds are as follows:
  - Track record of efficient administration,
  - Track record of successful outreach, interventions, and service delivery.

- III. Contributions / donations by Signature Foods India to Implementation agencies that meet the above criteria shall be made with approval / authorization from Board of Directors of Signature Foods India upon recommendation by the CSR Committee. The Finance Manager will be expected to appropriately code the contributions / donations in the accounting system and shall ensure that the company gains any available tax benefit, should the contributions/donations be deemed to be tax deductible.

#### 6.3. Annual Action Plan

The Company shall implement the CSR Activities stipulated in the Annual Action Plan ("Action Plan"). The said Action Plan shall be re-drawn every financial year in relation to the CSR Activities proposed to be undertaken in that financial year.

The Action Plan shall, inter alia, contain the following information with respect to the CSR activities proposed to be undertaken by the Company:

- i. list of CSR Activities to be undertaken in the relevant financial year.
- ii. local area where the CSR Activities are to be undertaken.
- iii. manner of execution.
- iv. modalities of utilization of funds.
- v. implementation schedule.
- vi. monitoring and reporting mechanism; and
- vii. details of need and impact assessment, if any.

#### 6.4. Ongoing projects

The time for implementation of the programme will depend on its nature, extent of coverage and the impact of the programme. The Company will follow a project-based accountability approach to stress on the long-term sustainability of its CSR projects. Based on the tenure of the identified projects, they will be categorized as:

- i. Ongoing projects
- ii. Other than ongoing projects.

### 7. CSR Expenditure

7.1. The CSR Committee shall monitor the spend and ensure that the Company spends the minimum 2% of average net profits of the preceding 3 (three) financial years or such other sum as may be prescribed from time to time pursuant to the Companies Act, 2013 and Rules or such higher sum as may be decided by the Board of Directors of Signature Foods India. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

7.2 The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the

Unspent CSR Account and it should be spent in pursuance of this CSR policy and Annual Action Plan of the Company. The Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

- 7.3. The Company may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the Company.
- 7.4. Any excess amount spent on CSR activities may be set off against CSR expenditure to be incurred in the succeeding financial years in accordance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder.
- 7.5. Any amount remaining unspent pursuant to any ongoing project, shall be transferred by the Company within a period of thirty days from the end of the financial year to a separate account opened for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account. Such amount shall be spent by the Company 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.

## **8. Monitoring of CSR spend**

- 8.1. The CSR Committee shall monitor all CSR Activities, including utilization of funds to ensure their effective implementation in accordance with the Section 135 of the Act read with CSR Rules framed thereunder and duly report to the Board of Directors.
- 8.2. The progress of CSR programmes under implementation will be reported to the CSR Committee at half yearly intervals by the Implementation agencies.
- 8.3. CSR Activities will be effectively and objectively monitored using appropriate monitoring tools that may include one or more of the third-party audit(s) or certification(s), impact assessment(s), self-assessment report(s), field visit(s), periodical review(s) / report(s) or any other appropriate mechanism.
- 8.4. CSR Committee shall review the progress on Annual Action Plan preferably on half yearly basis. The Board shall review the status of implementation and fund utilization of the various projects and programmes as per approved Annual Action Plan at least once in a year.
- 8.5. For the Board to satisfy itself that disbursed CSR funds have been utilized for its intended use, it may rely on the certificate issued by the auditors of the Implementation agencies. The certificate shall be signed by the head / authorized representative of the Implementation Agency and submitted to CSR Committee.

## **9. Disclosure and Reporting**

9.1. Details of composition of the CSR Committee, the CSR policy and details of CSR projects approved by the Board shall be made available on the Company website.

9.2. An annual report on CSR in the format prescribed in the Rules, shall form part of the Board's report.

## **10. Review / Amendment**

The Board may amend, abrogate, modify, or revise any or all clauses of this Policy, on recommendation of the CSR Committee and in accordance with the Act and the CSR Rules framed thereunder.

In case any provision(s) of this policy is contrary to or inconsistent with the CSR Provisions, such CSR provisions shall prevail.