



MRS.BECTORS FOOD SPECIALITIES LIMITED

**CORPORATE SOCIAL RESPONSIBILITY
POLICY**

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1. WHAT IS CSR?

The term "Corporate Social Responsibility (CSR)" can be referred as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change in long run.

2. LEGAL FRAMEWORK

Section 135 of the Companies Act, 2013 ('the Act'), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules') requires every company having:

1. net worth of Rs. 500 crore or more; or
2. turnover of Rs. 1,000 crore or more; or
3. net profit of Rs. 5 crore or more

during the immediately preceding Financial Year ('FY') to constitute a Corporate Social Responsibility Committee ('CSR Committee') of the Board consisting of three or more directors, out of which at least one director shall be an Independent Director. Further, the CSR Committee so constituted shall formulate a Corporate Social Responsibility Policy ('CSR Policy') and recommend the same to the Board of Directors of the Company ('Board') for its approval.

3. OBJECTIVES

This CSR policy intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, society and other stakeholders.

4. DEFINITIONS

In this Policy unless the context otherwise requires:

(a) "**Act**" means the Companies Act, 2013;

(b) "**Corporate Social Responsibility (CSR)**" means and includes but is not limited to

- (i) Projects or programs relating to activities, areas or subjects specified in Schedule VII of the Act or
- (ii) Projects or programs relating to activities undertaken by the board of directors of the Company (Board) in pursuance of recommendations of the CSR Committee of the Board as Per declared CSR Policy of the company subject to the condition that such policy will include activities, areas or subjects specified in Schedule VII of the Act.

(c) "**CSR Committee**" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

(d) "**CSR Policy**" relates to the activities to be undertaken by the company in areas or subjects as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.

(e) "**CSR Expenditure**" shall include all expenditure including contribution to corpus for projects or programs relating to the CSR activities approved by the Board on the recommendation of its CSR Committee but shall not include any item not in conformity or not in line with activities which fall within the areas or subjects specified in Schedule VII to the Act.

(e) "**Net profit**" means the net profit of a 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:

5. CSR PHILOSOPHY

Mrs. Bectors Food Specialities Limited (hereinafter MBFSL/the Company) has always endeavored to go beyond its business focus and contribute to the well-being of the community and society in which it operates. The company has a deep commitment towards social responsibilities.

As an organization, we believe that sustained economic growth cannot be achieved without social progress and the well-being of local communities.

In line with the aforesaid CSR philosophy, the Company has designed its CSR policy keeping in

consideration the critical societal needs and statutory provisions.

6. CSR VISION AND PROGRAMS

In alignment with its CSR philosophy, the Company, through its CSR programs, intends to focus on the following thematic areas:

I. Medical Relief & Research

MBFSL operates with a vision of providing healthcare facilities at a reasonable cost to the weaker sections of the society. It is well recognized that India's health care system is not fully equipped to meet the challenge of providing medical relief to all at affordable rates. Hence, the weaker sections of the society are deprived of access to quality health care.

MBFSL has the following key focus areas in the field of medical relief and research:

- Grant of medical help at the time of natural/humanitarian disasters
- Aid, establish and promote medical research institutions in all disciplines of medical and surgical knowledge
- Blood donation and vaccination camps and health advisory camps in association with hospitals and organisations to create awareness on the diseases like Aids etc.

II. Environment Sustainability

Scarcity of drinking water is the biggest crisis which India is facing in terms of spread and severity, affecting one in every three persons. Estimates tell us that by 2030, the supply of water in India will be half of its demand. MBFSL will take initiatives to conserve the natural resources of water and soil by primarily focusing on rain water harvesting and tree plantation, promoting environmental sustainability, ecological balance etc. The harvested water can be used as drinking water as well as for storage and other purposes like irrigation.

III. Education

“Knowledge is Power” - The importance of education cannot be undermined. Education is the best way to satiate our curiosity, without extinguishing the burning desire to learn and explore more. The overall upliftment of the society is incomplete without the spread of education.

The average literacy rate in India, viz., 74% is much below the global literacy rate of 84%. Therefore, MBFSL strives at spreading education at all levels of the society. To bridge the gap of illiteracy in India, MBFSL focuses on:

- Establishment and/or acquisition and maintenance or support of institutions for imparting education and training to students
- Establishment and support by extending scholarships to under privileged students by tying up with educational institutions
- Establishment and maintenance of hostels and/or boarding houses
- Grant of fee for boarding and lodging to poor and deserving students through relevant NGO(s)
- Setting up/operating libraries and reading rooms

IV. Social Upliftment

MBFSL also focuses on the upliftment of the society and will undertake the following activities:

- Distribution of free food and clothing to the poor and needy to eradicate malnutrition and improve healthcare
- Establishment, running and maintenance support to orphanages
- Establishment/operation of dharamshalas, resting places and the like for the general convenience

V. Any other Activities as listed in Schedule VII of the Companies Act, 2013.

MBFSL intends to achieve its CSR objectives in the above thematic areas by:

- Establishing a guideline for compliance with the provisions of CSR Rules to dedicate a percentage of Company's profits for social project, and
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

7. CSR BUDGET

The Board shall ensure that Company spends, in every financial year, at least 2 per cent of the average net profits made during the three immediately preceding financial years on CSR activities mentioned in Schedule VII of the Act or such minimum budget as may be statutorily mandated. Computation of average net profits will be carried out in accordance with the provisions of Section 198 of the Act.

8. GOVERNANCE STRUCTURE

MBFSL's CSR governance structure comprises of CSR committee and the Board, wherein CSR committee reports directly to the Board. The said structure is diagrammatically represented hereunder:



I. CONSTITUTION OF CSR COMMITTEE

The Board has set up a CSR Committee comprising of three directors namely:

S. No.	Name	Designation – CSR Committee
1.	Mrs. Anoop Bector – Managing Director	Chairperson
2.	Mr. Subhash Agarwal - Independent Director	Member
3.	Mr. Parveen Kumar Goel - Wholetime Director	Member

Responsibility of the above Committee is as follows:

- a) To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subjects as specified in Schedule VII of the Act
- b) To review and recommend the amount of expenditure to be incurred on CSR activities
- c) To monitor the CSR policy of the Company and its implementation from time to time
- d) any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time

II. RESPONSIBILITIES OF THE BOARD

The responsibilities of the Board concerning CSR are as follows:

- Approving CSR Policy of the Company

- Disclosing the content of the policy in its report and placing the policy on the Company's website in the manner prescribed under section 135 of the Act read with CSR Rules
- Ensuring that the CSR activities are related to the activities, areas or subjects included in Schedule VII of the Act.
- Ensuring that CSR projects included in the policy are undertaken by the company
- Ensuring that the Company spends, in every financial year, at least 2 percent of the average net profits made during the three immediately preceding financial years or such minimum budget as may be statutorily mandated under the law
- Ensuring that reasons for not spending of earmarked amount are disclosed in the Board's report in case the company fails to spend such amount
- Ensuring that MBFSL gives preference to the local areas around its operations for spending the amount earmarked for CSR projects

9. MONITORING & REVIEW MECHANISM

Mr. Anoop Bector, Managing Director and the Chairperson of CSR Committee or such other director as may be authorised by the Board shall co-ordinate and review the progress of CSR Activities/projects undertaken by the Company and will apprise the CSR Committee and the Board to enable them to monitor the progress of CSR Activities / projects undertaken by the Company as per this CSR Policy.

10. REPORTING FRAMEWORK

The Board's Report of the Company shall include an annual report on CSR containing particulars as specified in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

11. AMENDMENTS TO THE POLICY

The Board on its own and/ or as per the recommendations of CSR Committee can amend this Policy, as and when required. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the provisions of the Act and Rules thereunder on the subject, from time to time.
