

AGRO TECH FOODS LIMITED
31, SAROJINI DEVI ROAD, SECUNDERABAD – 500 003
CIN: L15142TG1986PLC006957
Tel: 91 40 66333444, Fax: 91 40 27800947
www.atfoods.com

CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble

Agro Tech Foods Limited (ATFL) draws its commitment to Corporate Social Responsibility (CSR) from its purpose and operating principles. ATFL is committed to **‘making a difference’** with its approach to corporate social responsibility. The CSR in ATFL is within the rubric of its corporate citizenship principle of **“Good for You, Good for the Community and Good for the Planet”**. ATFL’s CSR is focused on providing better nutrition and health for the children and families within India.

Title and Applicability

1. Agro Tech Foods Limited (ATFL) (‘We’ or ‘Company’) recognizes the importance of good corporate governance and corporate social responsibility in promoting and strengthening the trust of its shareholders and the public;
2. We believe that CSR is an extension of the way we do business.
3. Our CSR policy shall be governed and guided by our corporate vision to become the best performing and most respected foods company in India.
4. We shall strive to demonstrate the highest standards of ethics and will proceed in accordance with the applicable laws for the best interests of our shareholders, stakeholders and the public.
5. The Company’s corporate social responsibility policy (‘Policy’) has been framed and formulated in accordance with section 135 of the Companies Act 2013 and the rules made there under.
6. The Company’s corporate social responsibility policy has been aligned with the schedule VII of section 135 of the Companies Act 2013.
7. This policy shall apply to all CSR programmes/projects of the Company.

Corporate Social Responsibility PurposeStatement

Within the overall charter of CSR program, Agro Tech Foods will meaningfully address the cause of child malnourishment in the country.

India has the largest population of children with around 160 million below the age of six. Two million children die before they reach the age of five. Around 50% of these children are malnourished. Above all, Protein Energy Malnutrition (PEM) is a major public health problem in India and peanut butter being a rich source of proteins, AgroTech Foods aims to integrate peanut butter into the nutrition programs of the Government. The Company has already initiated this program successfully in Bharuch in Gujarat through a Government run Anganwadi with a significant and meaningful improvement in the nutrition levels of children to whom the product was given where Sundrop Peanut Butter was introduced as an integral part of their daily meals.

Over time, the Company will scale up this program using both current processes and new ones to reach out to children in different parts of the Country.

Corporate Social Responsibility Vision

- 1. To be the catalyst for sustained social development through the implementation of CSR programmes.**
- 2. To help children and families lead a healthy life through making available nutritional foods.**
- 3. Empower the society to access healthy and nutritional foods.**
- 4. Relentless commitment to healthy India through business and CSR.**

CSR Mission

Our mission is to implement CSR programmes and projects in a manner leading to social and economic development of the community. Through our initiatives, we seek to reach out to various sections of society and provide them opportunities to lead a healthy life.

We would like to implement innovative models of sustainable development in and around our area of operation. We will constantly strive to review and improve our efforts to positively contribute towards the well-being and welfare of the people. We will uphold the highest ethical standards in all our CSR engagements, and take the extra initiative to reduce damaging impacts on the environment. We would like to inculcate the spirit of service and volunteerism among our employees and through

CSR we would like to engage our employees to contribute positively towards the society.

Scope

This policy will apply to all projects/programmes undertaken as part Agrotech's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliance and alignment with the activities and rules of Schedule VII, Section 135, Companies Act 2013.

Governance

The approval of the CSR policy and overall oversight is the responsibility of Agro Tech foods Limited's Board of Directors. The CSR committee is responsible to promote the strategy and administer and execute the policy. The CSR committee is to ensure that projects/programs are compliant with regulation and are monitored and reported effectively.

As the Company's CSR activities evolve, the policy may be revised as per the recommendations of the CSR committee and approval by the Board of Directors.

Roles and Responsibilities: Board of Directors

The Board of Directors of the Company will be responsible for:

1. Approval of the CSR Policy of the Company.
2. Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with the CSR rules and other relevant circulars.
3. Ensuring that the company spends, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy.
4. Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount during the financial year.
5. The Board shall have the power to make any changes(s) in the charter of the Committee.

Roles and Responsibilities: CSR Committee

The composition of the CSR committee is as below.

S. No.	Name	Designation
1	Lt. Gen D B Singh	Chairman
2	James Patrick Kinnerk	Committee Member
3	Pedro Labayen De Inza	Committee Member
4	Trevor John Foster	Committee Member
5	Arun Bewoor	Committee Member
6	Narendra Ambwani	Committee Member
7	Veena Gidwani	Committee Member
8	Sanjaya Kulkarni	Committee Member

1. Prepare, revise and modify the CSR Policy for the Company and place the same with the Board of Directors for their approval;
2. Ensure that the programmes, projects and activities supported through Agro Tech Foods Limited are aligned with the approved CSR policy of the Company and are also aligned to the activities prescribed in Schedule VII;
3. Not approve any activity/programme which is a one-off event;
4. Review and approve annual budgets with respect to CSR programmes;
5. In case the Company is not able to spend two percent of the average net profits of the last three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board which shall also be included in the Board's report;
6. Receiving reports from Implementing Partners* to assess the performance and effectiveness of projects/programmes supported by them;
7. Develop and institutionalize a CSR reporting mechanism in view of the provisions of Section 135, Rule 8 of the Companies Act 2013;
8. Respond to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to CSR supported activities;
9. Ensure that Agro Tech Foods Limited's website displays the approved CSR policy of the Company;
10. Reviewing the findings and recommendations from any investigation or audit by regulatory agencies or external auditors or consultants concerning Agro Tech Foods Limited's CSR matters.

CSR Budget

The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company as specified in Schedule VII of

the Companies Act 2013. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.

If the Company is unable to spend the full two percent within the annual year, the Board Report shall stipulate the reasons for the same.

Implementation

The Company will implement its CSR projects/programmes in house. While executing CSR activities, the Company shall ensure that such activities are not in normal pursuance of its business.

The CSR Committee will oversee implementation and monitoring of all CSR projects/programmes with periodic visits and reports.

Monitoring

The CSR Committee will institute a well-defined, transparent monitoring and evaluation mechanism to ensure that each CSR project/programme has:

1. Clear objectives developed out of the societal needs that are determined through baseline studies and research.
2. Clear targets, time lines and measurable parameters wherever possible.
3. A progress monitoring and reporting framework that is aligned with the requirements of the Section 135 of the Companies Act, 2013 and the CSR Rules.

In regards to the budget, the Company will establish an accounting system that will allocate and account for the CSR spend across projects and programmes.

Reporting

The CSR implementation team will report the CSR progress to the Board and the CSR committee once in every quarter or at such regular periods as may be decided. This report will have both programmatic and financial progress. We will report on our CSR performance in our annual Board of Director's Report as per the structure and format prescribed in the CSR Rules and Section 135 of the Companies Act 2013.

CSR Projects/Programmes

Our projects/programme areas shall be aligned with the national development priorities and the needs of the communities and will be in sync with Schedule VII of Section 135 of the Companies Act 2013.

Enhancing our CSR purpose, the projects/programmes will further support and strengthen government initiatives and empower our employees to **'Act Now'**. With our knowledge in food and nutrition, we aim to leverage our knowledge and align with strategic partners, if any, to maximize our CSR activities. Through our projects/programmes we will focus on to will meaningfully address the cause of Child Malnourishment in the country.

In all of our projects/programmes we shall engage and encourage our employees to utilize their skills and knowledge to further enhance the impact of our CSR activities.

Agro Tech Foods Limited, through its CSR shall support projects/programmes in the following domains:

1. Nutrition

- a. Programmes/Projects that combat malnutrition of children by providing holistic education and meals to ensure a healthy body.
- b. Programmes/Projects that empower the women in the household to provide better nutrition for their families and children.
- c. Create opportunities for our employees to engage with communities in educating and promoting healthy living.

The CSR Committee will select proposed projects/programmes that align to the thematic domains specified within this policy. However, it has the right to select other projects as suggested by the communities, that it deems as suitable and are within the provision of the section 135 of the Companies Act, 2013. It will also provide guidance on the modalities of execution to be used to deliver and implement the projects/programmes, the timeframe, disbursement and allocation of spend. The guidelines for selection of projects are below and stipulate that:

- Agro Tech Foods Limited will ensure that its CSR projects are non-discriminatory in nature and do not have any restrictive political or religious affiliations.
- The programmes/ projects will be within the areas recommended/listed by the CSR Committee and mentioned in the Policy.
- Programmes/Projects will not be business as usual.

- The Programmes/Projects will be implemented within the country and preferably in areas where the Company has its presence.
- Agro Tech Foods Limited will actively consider Programmes/Projects that identify with the thematic domains listed within this Policy and resonate with the overall CSR purpose.
- The Company will consider Programmes/Projects closely linked with the principles of sustainable development
- Programmes/Projects should not be exclusively for the benefit of employees of the company or their family members or those that are conducted exclusively in pursuance of the normal course of business.
- Any surplus generated out of the CSR activities of Agro Tech Foods Limited, will be re-invested back to the CSR initiatives of the Company.