

**CSR POLICY**

**FOR**

**IMPERIAL MALTS LIMITED**

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## **COMPANY PROFILE**

We are a Company excelling in the field of manufacturing **Barley Malt, Malt Extract, Malt Extract Powder & Malted Milk Food**. We strive to provide you with the best of **MALT PRODUCTS** that is used in a variety of industries including Breweries, Distilleries, Confectionery, Pharmaceuticals, Functional Foods and many more.

The Company was incorporated in the year 1981 for the manufacture of **Barley Malt & Malt Extract**. The installed capacities at the time of inception were 2000 MTA of **Barley Malt** & 600 MTA of Malt Extract.

### **Infrastructure:**

#### **1. Plant –I at Sohna Road:**

We have a most modern malt plant with a capacity of 36,000 TPA. We have facilities for storage of **barley & Barley Malt** for long periods. We have a new **Malt Extract Plant** with a capacity of 15,000 TPA.

#### **2. Plant-II at Pataudi:**

We have set up a new Plant for the manufacture of Malt Extract with a capacity of 25,000 TPA in 2013 at Pataudi. This is a most modern plant with the latest automation and PLC controls.

We have a modern laboratory with latest equipment & technology to keep a check on quality for total quality assurance of **Malt Extract**. We have dedicated microbiology laboratory. We are well equipped to handle large quantity Export Orders because of our in house container stuffing, custom sealing facilities and bulk

packing for **Malt Extract**. As a regular effort for improvement in Quality and Product Line we have commissioned a state of the art **Vacuum Band Dryer** for manufacturing **Malt Extract Powder & Malted Milk Food**. The product has wide applications in Energy Drinks, Packed foods, Cereal based foods and pharmaceuticals.

**Malted Milk Food:**

We have a state of the art Plant for the manufacture of Malted Milk Food and Malt Based Foods. This comprises of a vacuum band dryer, which is the latest technology used in advanced countries.

**Certifications:**

Our manufacturing facilities are certified for **ISO:9001, ISO 22000, FSSC 22000 and GMP**. In addition our processes are Halal and Kosher certified.

We choose the best barley to manufacture our products and that's why our quality is well recognized in the market. We strive to maintain the premium quality of our products that has made us distinct from our peers and contemporaries

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## 1. Policy Statement

The new Companies Act, 2013 vide section 135 requires a prescribed company to comply with the provisions relating to Corporate Social Responsibility. Realizing its responsibility towards Corporate and Social upliftment, your company has framed a comprehensive policy to undertake various steps.

The vision of IML encapsulates its Corporate Social Responsibility (hereinafter referred to as the CSR) ethos and places its stakeholders at the centre of its operations.

In pursuance of its vision of inculcating good corporate citizenship, IML will engage in strategic philanthropic programs to improve the quality of life of under-served, disadvantaged and marginalized communities.

The company will comply with Section 135 of the Companies Act, 2013 for CSR activities. As part of IML's obligations towards CSR, it will implement impact-driven projects that address critical social, environmental and economic needs of the sections of the society.

*IML's CSR vision is guided by the company's core values:*

- ✓ *We ensure customer satisfaction by adding value and honoring commitments at all times.*
- ✓ *We build transparent lasting relationships and stand for integrity and mutual trust.*
- ✓ *We encourage an entrepreneurial attitude and instill in our employees the desire to excel.*
- ✓ *We embrace and respect diversity while working together as One IML.*
- ✓ *We foster a learning environment and*
- ✓ *nurture innovative thinking*
- ✓ *We are committed to building shareholder value and maintaining high standards of corporate governance.*
- ✓ *We strive to be an eco-friendly organization.*

## 2. Objectives of the Policy

The objectives of this policy are:

- (a) To set forth the company's Corporate Social Responsibility Policy (hereinafter referred to as the CSR Policy) for its India operations as stipulated in the Section 135 of the Companies Act, 2013 and the rules thereof.
- (b) To identify and formulate the broad areas the company shall pursue towards fulfilling its CSR obligations.
- (c) To serve as a guiding document to plan, identify, implement and monitor CSR initiatives.

## 3. Scope of the Policy

This policy is applicable to IML.

## 4. Thrust areas of CSR

The company has adopted a structured approach to manage its CSR obligations. The company's CSR will be aligned to Schedule VII of the Companies Act 2013 with a focus on education, environment, health and sanitation, sports, art and culture, disaster relief and rural development.

- **Education:** IML seeks to promote education and vocational training through its CSR projects. Several challenges remain in delivery of education and access to employment opportunities. In order to bring about development, enabling access to education for the underprivileged sections of the society and enhancing employability of under-served remains a prime area of the company's CSR focus.
- **Environment:** The Company's ethos places special emphasis on issues of environmental conservation and consciousness. Its efforts include establishing its ecological footprint, creating awareness and promoting ecological activities.
- **Health and sanitation:** While access to healthcare and sanitation remains an important indicator of development, lack of access to proper medical facilities plagues many parts of rural and urban India. IML seeks to promote healthcare through its CSR projects.
- **Sports, Arts and Culture:** The Company aims to promote sports primarily among children and the lesser privileged sections of the society. The CSR will also focus on reviving and promoting arts and culture in India through suitable interventions.
- **Natural Calamities and Disaster Relief:** The Company will support projects and partners to deliver essentials such as food, water, shelter, and other measures such as rebuilding communities to assist disaster relief in the case of natural calamities or disasters.

- **Rural Development:** Majority of India's population lives in rural areas and still remains untouched from the recent development and economic progress in India. The company aims to promote and support projects focusing on improving the lives of people in the rural areas.

Only those projects that are over and above the normal course of business, that do not benefit only the company's employees and their families, are treated as CSR projects within the realm of Section 135 of the Companies Act 2013.

## 5. Governance Structure

The company has constituted a robust and transparent governance structure to oversee the implementation of the CSR Policy. The structure and responsibilities have been described below.

### CSR Committee of the Board

As the CSR expenditure of the company is not more than 50 lakh rupees therefore the provision of constitution of CSR committee is not applicable on the company, the CSR activities are managed by the board of director of the company effectively.

### Responsibilities of Board of Director

- Formulate Company CSR Policy and approve it, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act,2013 and the notifications thereof
- Provide strategic direction to CSR initiatives in alignment with the Policy
- Institute a transparent monitoring mechanism for implementation of CSR projects
- Monitor the CSR Policy of the company from time to time
- Meet at a periodicity it deems fit to review the progress

## 6. CSR Budget

The budget for CSR projects shall be prepared and approved by the Board of IML as per the requirements laid out in the Section 135 of the Companies Act 2013. The total budget proposed for the CSR projects covered under this policy shall be 2% of the average net profits of IML made during the three immediately preceding financial years; where the 'net profit' is calculated as mentioned in Section 135 of the Companies Act 2013 for CSR Spend. The Board is entitled to recommend a higher amount than that specified in the Companies Act 2013 based on financial and other considerations.

## 7. CSR Projects

### **a. CSR Project Lifecycle**

CSR projects are strategically planned and managed at IML. Following are the different stages of the project:

#### **Project identification**

The projects will be prioritized and suggested based on suitable qualifiers by the Board of Directors (Board) for approval. The projects must be aligned to at least one of the thrust areas of CSR. Additionally, for those projects classified as CSR, the projects must conform to the requirements of the Section 135 of the Companies Act, 2013. The projects that are located in proximity to the areas where the company operates and where there is a greater scope for employee volunteering would be accorded preference for approval.

#### **Budget of the project**

The Board is responsible for evaluating the budgetary requirements of the project.

#### **Implementation**

The Board in consultation with the Working Team shall formulate a plan of action for the approved projects that specify details of the project including activities to be undertaken, period of implementation, budget plan, project governance and expected results. The company may implement the CSR projects in one or more of the following modes or by way of a combination thereof:

- i. Directly by the company as projects
- ii. Through a registered trust or registered society or Company established under section 8 of the Companies Act 2013
- iii. Collaborate with other Companies for undertaking projects jointly.

#### **Monitoring**

The Board along with the working team of a specific project and program managers/ owners will be responsible for monitoring of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports.

To ensure the transparency and efficiency of the implementation process, mechanisms to track data and monitor projects will be established. These projects will be evaluated against the milestones defined as per the plan of action and reviewed by the Board on a quarterly basis.

#### **Reporting**

The Board will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013.

The Board shall also submit a responsibility statement for implementation and monitoring of the CSR policy is in compliance with the approved policy of the Company.

**b. Partner Qualifications**

Where CSR programs are awarded to implementation agencies, the company will ensure that they are a Registered Trust, Society or a Section 8 Company. The company will conduct due diligence on potential partner agencies to ensure that they have clearly explained mission and vision, do not have a conflict of interest in working with IML, have appropriate documentation such as audit reports, annual reports and registration forms as per 80G/12A. The company will also consider reputation risks in selecting a partner agency.

**c. Treatment of Surpluses**

Any surplus generated from CSR projects undertaken by the company will be tracked and channelized into the CSR budget. These funds will be further used in development of the CSR projects and will not be added to the normal business profits.

**8. Notification**

The CSR Policy shall be displayed on the website of the Company, on approval of the Board. The board should notify the employees about the policy from time to time. The policy will be displayed permanently on the company’s intranet enabling every employee to access, be aware and contribute to the policy and drive actions going forward. The new employees shall be informed about the policy by the HR department at the time of on boarding.

**9. Exclusion:**

The CSR projects/ programmes that benefit just and only the employees of the Company and/or their families shall not be considered as CSR activities, within the purview of this Policy and Section 135 of the Companies Act, 2013. Further, CSR activities do not include the activities undertaken in pursuance of normal course of business of the Company.

The Company’s contribution of any amount directly or indirectly to any political party under Section 182 of the Act, shall not be considered as a CSR activity.

**10. Amendments to the Policy**

This policy will be reviewed annually by the board to check the effectiveness and impact of the policy. The CSR Committee has the right to amend or modify this policy in whole or in part, at any time, as deemed necessary. Any amendments or modifications will be suitably notified to all stakeholders.