

ASPRI SPIRITS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY

POLICY

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1. VISION AND OBJECTIVE

The Corporate Social Responsibility Policy (“CSR Policy”) outlines Aspri Spirits Private Limited’s (“Company/ Aspri Spirits”) vision and commitment to bring sustainable balance in society by focusing on social and economic development.

Aspri Spirits believes that every individual has the right to a sustainable environment, equal opportunities, good healthcare, education to improve quality of living. We aim to build a better future for our communities by focusing on education, primary healthcare, environment preservation, livelihood generation and empowering future generations.

This objective of the policy is to lay down guidelines for Aspri Spirits to implement CSR activities in India and Company may additionally undertake activities laid down and periodically updated as per Schedule VII and applicable laws from time to time.

2. GOVERNANCE MECHANISM

The policy lays down the governance mechanism which shall be governed and monitored by the Board of Directors of the Company.

CSR Committee

The Board shall constitute the CSR Committee, as and when applicable to the Company, as prescribed by the applicable law and such CSR Committee shall govern and monitor the CSR activities of the Company, until then pursuant to section 135(9), the Board of Directors shall discharge the functions of the CSR Committee.

The Board of Directors or the CSR Committee, as applicable, (hereinafter referred as “CSR Committee”) will monitor and review the performance and impact of the CSR activities, provide inputs for improvement, if any, ensure funds are utilized for the purposes and manner as approved by the Board.

3. FOCUS AREA

The Company will take CSR activities in areas as below:

- ❖ Education: promoting education, including special education and employment enhancing vocational skills, providing for the certified courses, skill development training, providing scholarships, etc., for vulnerable groups.
- ❖ Environmental Preservation: conservation of natural resources, working towards environmental sustainability, ecological balance, animal welfare, agroforestry, water sanitation, environment sanitation, etc.,
- ❖ Healthcare: promoting healthcare including preventive healthcare and sanitation, access to primary healthcare specially to underprivileged, women, children, and elderly.
- ❖ Responsible Drinking: promoting and facilitating measures for educating responsible drinking and eliminating consumption of harmful substances.
- ❖ Any other activity, in accordance with Schedule VII of the Companies Act 2013 and the Rules made thereunder, from time to time with consent of the Board.

The Company will also ensure compliance with all local laws in selected areas of CSR activities.

4. CSR SPEND

- In accordance with section 135 of the Companies Act 2013, Aspri Spirits shall ensure 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 the identified activities that are listed in Schedule VII.
- In the event the Company fails to spend such amount in any financial year, the reason for the same shall be specified in the Board's report and unless the unspent amount relates to any ongoing project, the Company shall transfer such unspent amount to a Fund specified in Schedule VII within a period of six months of the expiry of the financial year.
- Any amount remaining unspent in any financial year pursuant to any ongoing project undertaken by the company, shall be transferred by the company within a period of thirty days from the end of financial year to a special account to be opened by the Company in that behalf in any scheduled bank.
- In the event the Company spends an amount in excess of the requirement then the Company may set off such excess amount against the requirement to spend in the succeeding financial years and in such manner as may be prescribed under applicable laws.
- In case of any surplus of CSR projects, the same shall not form 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 spent in pursuance to the CSR Policy and annual action plan or transfer such surplus to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

5. IMPLEMENTATION

- Pursuant to Rule 4 of Companies (CSR policy) Rules, 2014, CSR activities shall be carried out through one or a combination of the following:
 - Directly by Aspri Spirits
 - Through eligible Implementing agencies as prescribed under Rule 4 of Companies (CSR Policy) Rules 2014
 - Through collaboration with other companies
- The appointment of Implementing agencies shall be subject to fulfilment of eligibility requirements as prescribed from time to time and Aspri Spirits' on-board due diligence.

6. IMPACT ASSESSMENT

- Pursuant to Rule 8, if Aspri Spirit is having an average CSR Obligation of ten crore rupees or more, then Company shall undertake impact assessments through independent agency of their CSR projects having outlays of one crore rupees or more and which have been completed not less than one year before undertaking impact study.
- The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- If the Company is undertaking impact assessment that it may book the expenditure towards CSR for that financial year which shall not exceed 2% of the total CSR expenditure for that financial year or fifty lakhs rupees whichever is higher or any such amount as prescribed from time to time.

7. CSR ACTIVITIES MONITORING

The CSR projects will be monitored, evaluated and reported, as specified in the Annual Action Plan, approved by the Board.

8. ANNUAL ACTION PLAN

- For every Financial year, the CSR Committee shall formulate and recommend to the Board, an annual action plan specifying:
 - ✓ List of projects/ programmes to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - ✓ The manner of execution of such projects with budgets allocated to such projects/ programmes;
 - ✓ The modalities of utilization of funds and implementation schedules for the projects/programmes;
 - ✓ Monitoring and reporting mechanism for the projects/programmes;
 - ✓ Need and impact assessment, if any, for the projects undertaken by the Company.
- Based on reasonable justification, the Board may alter such annual action plan on the recommendation of its CSR Committee.

9. DISCLOSURES

The Company shall disclose its CSR Policy, Projects/ programmes approved by the Board, composition of CSR Committee and other such details as required under the Act from time to time on the Company's website.

10. REPORTING

- The CSR Committee shall report to the Board on the CSR activities and their implementation once in every quarter.
- The Board shall disclosure annual report on CSR in the Board's annual report as per the format prescribed.

11. RECORD KEEPING

All expenses relating to CSR activities should be prepared and documented with accuracy and completeness.

12. AMENDMENT

The Board of Directors have powers to modify or amend the CSR policy in whole or in part, at any time as the Board deems fit, subject to section 135 of Companies Act, 2014 and CSR Rules made thereunder.

Any subsequent amendment with regards to CSR provisions notified by the Ministry of Corporate Affairs shall automatically apply to this Policy and the Statutory provisions shall always prevail over the CSR Policy.

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