

POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

1. SHORT TITLE:

This policy in relation to the Corporate Social Responsibility (“CSR”) of GPA Capital Foods Private Limited (Formerly known as Agro Pure Capital Foods Private Limited) is titled as the “CSR Policy” and shall include any alterations, amendments or modifications hereto from time to time. Recognizing that business enterprises are economic organs of society and draw on societal resources. Such Corporate Social Responsibility (“CSR”) projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment. These initiatives are independent of the normal conduct of GPA Capital Foods Private Limited business. Programme, projects and activities (collectively “CSR Programme”) carried out in this regard are the subject matter of this Policy.

2. VISION STATEMENT, OBJECTIVE AND APPLICABILITY :

1. The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, the Company proposes to adopt short, medium and long term CSR programs and initiatives. This policy defines our Corporate Social Responsibility (CSR) objectives and programs undertaken to fulfil its obligations as a responsible corporate citizen to achieve its mission.

2. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 (“Act”) and the rules issued thereunder.

3. Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, in the event that the Company fails to meet the thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to:

- (i) Constitute/maintain the CSR Committee; and
- (ii) Comply with the provisions of this CSR Policy till such time as it again meets the criteria specified in Section 135(1) of the Act.

4. DEFINITION AND INTERPRETATION :

- 1. “Board” means the Board of Directors of the Company.
- 2. “Company” means GPA Capital Foods Private Limited.
- 3. “CSR Activities” means such programs and projects as may be approved by the Board in terms of this CSR Policy.
- 4. “CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

5. **"CSR Policy"** means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan
6. **"CSR Expenditure"** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.
7. **"Director"** means a member of the Board of the Company.
8. **"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: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
9. **"Society"** means a society registered under the Societies Registration Act, 1860 or any other applicable law in India.
10. **"Trust"** means a trust registered under the Indian Trusts Act, 1882 or any other applicable law in India.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

5. RESPONSIBILITY OF THE BOARD OF DIRECTORS:

The responsibility of the Board of Directors shall be as under:

- a) To approve the CSR Policy & disclose the contents of such policy in its report and also place it on the Company's website;
- b) Ensure that the activities proposed in the CSR Policy are undertaken;
- c) Ensure that the company spends, in every financial year, at least 2% of average net profits of the company made during the 3 immediately preceding financial years, as required under Section 135 of the Companies Act, 2013 & Rules made thereunder;
- d) If company fails to spend the sum as mentioned above, then the Board shall, in its Report specify the reasons for not spending the amount.

6. CSR COMMITTEE:

6.1. Constitution

- a) Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least two or more Directors. Accordingly, the constitution of CSR Committee formed is as follows:

I.	Mr. Nitin Goyal	Director
II.	Mr. Amit Goyal	Director

6.2. Functions and Powers of Committee

To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:

- a) Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- b) Recommend CSR activities as stated under Schedule VII of the Act
- c) Approve to undertake CSR activities, if necessary, in collaboration with group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules
- d) Recommend the CSR Budget
- e) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- f) Create transparent monitoring mechanism for implementation of CSR initiatives in India
- g) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- h) Monitor CSR Policy from time to time
- i) Authorize executives of the Company to attend the CSR Committee Meetings, if necessary

6.3. Meetings of the Committee

- a) For smooth functioning of the Committee, the members shall meet once in six months to discuss such matters and to take such decisions as may be necessary;
- b) The CSR Committee will meet once in six months or as and when required. Besides the physical meeting, the Committee may hold a meeting through video conference or tele-conference or any other similar mod:
- c) The members of the Committee may mutually agree between them regarding time and place for the said meetings.

- d) The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.
- e) The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.
- f) A notice of not less than 7 working days before the date of the meeting specifying the date, time & venue of the meeting together with the list of business to be conducted at the meeting shall be circulated to each member of the Committee either physically or by electronic means. The meeting may be called at shorter notice or the notice period may be waived off provided the consent of all the members is recorded in writing.

7. AREAS OF CSR ACTIVITIES:

The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

- (i) Eradicating hunger, poverty and malnutrition, “promoting health care including preventive health care” and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically back ward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) Rural development projects;
- (xi) Slum area development
Explanation- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.

8. EXCLUSIONS:

Following activities shall be excluded from the CSR expenditure of GPA Capital Foods Private Limited:

- (i) activities undertaken in pursuance of normal course of business of the company Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-
 - (a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - (b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

9. FUND ALLOCATION:

1. The Company in every Financial Year shall endeavor to spend such feasible amount as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned CSR Expenditure in any Financial Year shall be at least 2% of Company's average Net Profits for the three immediately preceding Financial Years.

2. Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee.

3. In case the Company fails to spend the statutory minimum limit of 2% of company's average net profits of the immediately preceding three years, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

10. IMPLEMENTATION MECHANISM:

The Company shall implement the identified CSR activities by the following means:

(1) The Board shall ensure that the CSR activities are undertaken by the company itself or through -

(a) a 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, or

(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

(c) any entity established under an Act of Parliament or a State legislature; or

(d) a 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

11. MONITORING:

Monitoring/ supervision of CSR projects will be done on regular basis. This committee will report to the board of the Directors. The progress on CSR programs undertaken by the Company will be reported in the Annual Report in the format prescribed by the CSR Rules 2014.

The CSR team shall be empowered to appoint an external third party to monitor / review / audit the progress (financial and programmatic) of the CSR projects.

12. EFFECTIVE DATE:

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

13. AMENDMENTS TO THE CSR POLICY:

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the Policy shall be approved by the Board of Directors.