

GroFresh Agrofoods Private Limited
Corporate Social Responsibility Policy

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Philosophy:

“Vasudhaiva Kutumbakam” is the most important moral virtue, having its origin at the Maha Upanishad, Indian civilization has given to this world. The phrase implies that all the living beings on this planet, cutting across the boundaries, castes, creeds, religions, genders are a one large family. We must strive to secure welfare and happiness of each member of this large family as the welfare of individual beings cannot be attained without pursuit of the welfare of the family. We, at Go Fresh Agro, stringly believe in the “Vasudhaiva Kutumbakam” philosophy and being a corporate citizen are dutiful and committed to pledge ourselves for the welfare of this large family.

Objectives:

This Corporate Social Responsibility (CSR) Policy has been developed in accordance with section 135 of the Companies Act 2013 on CSR and in accordance with the CSR rules and amendments duly notified by the Ministry of Corporate Affairs, GOI. This Policy shall apply to all CSR projects/programs undertaken by the Company.

The objective of our CSR policy is to promote, undertake and fund various social welfare initiatives which can bring sustainable economic development and contribute towards the economic well-being of the underprivileged sections of the society.

The policy also aims to work for the general enhancement of the social indicators of the society including but not limited to the education, health, environment and equality.

Undertaking CSR Activities – Focus Area and Regions:

In the pursuit of the objectives, amongst others, our company shall focus on:

- a) **Education** – promoting education and activities related thereto which may include, without limitation, funding, promoting and contributing towards setting up and running and enhancement of schools, academic institutions and other learning forums. The education may also cover promotion of institutions providing vocational training or employment oriented apprenticeships. Promotion and funding of the education sector in general and the ecosystem related thereto.
- b) **Health** – undertaking, promoting or funding various measures to improve basic healthcare, sanitation, safe and clean drinking water, building health infrastructure in order to enhance access to all the population. Undertaking various measures for the eradication of poverty, malnutrition.
- c) **Environment** – Ensuring environmental sustainability, ecological balance and various programs to create awareness and educate the population to protect environment.
- d) **Rural Development** – Promoting, undertaking or funding various programs and initiatives for the development of rural areas which shall include without limitation, building basic infrastructure in rural areas, water conservation and building reservoirs and financial inclusion initiatives and various other measures to enhance the quality of life in rural areas.
- e) **Equality** – Promoting, undertaking or funding various programs to eradicate extreme inequalities, particularly gender inequalities.
- f) **Other Measures** –

- i) 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;
- ii) 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;
- iii) 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
- iv) 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 Organization (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).
- v) 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.]
- vi) disaster management, including relief, rehabilitation and reconstruction activities.
- vii) Any other activity as may be permitted under Schedule VII/ respective provisions of the Companies Act, 2013.

The CSR Committee is empowered to decide the location / regions to be focused for various social initiatives and shall also provide special attention to the regions where its operations exist. Save that, the CSR Committee shall seek approval from the Board of Directors prior to executing any spends in accordance with this CSR policy.

Mode of Implementation of CSR Activities:

The various initiatives and projects contemplated under this policy may be implemented by the Company in one of the following ways or in combination of these mechanisms.

- a) In-house Management: - The Company may undertake projects and implement it on its own through the internal staff and resources. The Company may engage external consultants, experts for the purpose of project design, program management and monitoring.
- b) Implementation through partnerships: - The Company may partner with the governments or any other non-governmental organizations (NGOs), trusts, societies and such other entities engaged in the social sector. The CSR Committee may, based on its project evaluation, agree upon the roles and responsibilities with such partners. The partners to be identified for this purpose must be registered

entities under the relevant laws and must have necessary enrolment or form filing as per the Companies Act, 2013 and the rules made thereunder.

- c) **Financial Funding:** - The CSR Committee may identify non-governmental organizations (NGOs), trusts, societies, having registered under the relevant laws and regulations, engaged in the social activities and provide funding to them in the form of donations or otherwise. The funding may be provided towards specific activities or projects of such entities. The CSR Committee may identify various social welfare scheme of the Central / State Governments and choose to contribute towards the same.
- d) **Collaboration with other Corporates:** - The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with these CSR rules.

The CSR Committee shall adopt evolving approach while deciding the mode of implementation and shall aim for the effective, outcomes-oriented implementation, as appropriate to the size of budget outlay and scope of projects.

Funding and Outlay:

The Company's annual budget for the CSR shall not be less than such percentage of the net profits in accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder. The budget will be based on recommendation by the CSR committee.

Any surplus generated from CSR projects shall not be added to the normal business profits of the Company and shall be treated as follows:

- a. Ploughed back into the same project; or
- b. transferred to an Unspent CSR Account and spent in pursuance of CSR policy and Annual Action Plan of the Company; or
- c. transferred to a Fund specified in Schedule VII, within the prescribed timeline as specified in the CSR Rules.

The Company may spend up to 5 percent, or maximum permissible under the Companies Act, 2013, of its total CSR expenditure towards administrative overheads for the financial year for the purpose of CSR functions in the Company.

All reasonable efforts will be made to ensure that the CSR amount so disbursed is fully utilised in the respective year in the manner as approved by the Board. However, if the Company fails to spend such amount, the Board of Directors shall, in its report under clause (o) of sub-section (3) of section 134 of the Act, shall specify the reasons for not spending the amount and such unspent amount shall be dealt with in accordance with the provisions of Section 135 (5) & (6) of the Act and Rule 10 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

In case the Company spends an amount in excess of the requirements of its CSR obligations in a financial year, such excess amount may be set-off against the requirement of the CSR Spending under sub-section (5) of Section 135 upto the immediate succeeding 3 financial years' subject to the fulfilment of conditions as specified under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The Company may spend its CSR amount for creation or acquisition of the capital asset subject to the fulfilment of conditions as specified under the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.

Role and the Scope of the Board of Directors (the Board):

1. Formation of the CSR committee
2. The Board shall approve the CSR policy and oversee that identified work is duly undertaken and in each financial year and budgeted amount is spent purposefully.
3. The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
4. The Board will also ensure requisite disclosures with respect CSR provisions are made on the Company website, and in the Board Reports in the prescribed format.
5. Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
6. Approve proposed spends of the CSR Committee and thereafter transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of BIL shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.
7. The Company is in compliance with the overall provisions of the Companies Act, relating to the CSR provisions.

Composition of the CSR Committee:

The CSR Committee shall be comprised in accordance with the requirements of the Companies Act, 2013 and the Rules made thereunder. The current composition of the CSR Committee is as below:

1. Mr. Subash Vasudevan; Founder Director or a representative appointed by him.
2. Mr. Raja Parthasarathy; Investor Director
3. Mr. Chetan Jain; Investor Director or a representative appointed by him.

The Board of Directors, in accordance with any constitutional documents of the Company, may from time to time constitute or re-constitute such CSR Committee with the terms of reference to be prescribed in order to enable the CSR Committee to perform functions as per this policy.

Role and the Scope of the CSR Committee:

1. To decide CSR projects or programs or activities and formulate action plan for the implementation of those projects.
2. To place before the Board of Directors the Proposed CSR activities and manner of implementation to be taken up by the Company for the approval on annual basis.
3. To prepare annual plans and to recommend to the Board of Directors the amount of expenditure to be incurred on CSR activities on annually.
4. To oversee the progress/implementation of the initiatives rolled out under this policy.
5. To engage organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR if so deem fit by

the Committee.

6. To carry out the impact assessment if any for activity initiate by Company.
7. To define and monitor the budgets for carrying out the initiatives and monitor its utilization.
8. To do any other activity, perform such functions as required under Companies Act,2013 or rules made thereunder and/or as may be entrusted by the Board of Directors from Time to Time.

Compliance, Monitoring and Reporting:

1. Compliance with this policy will be continuously monitored by the CSR Committee.
2. Compliance will be reported to stakeholders through the Company’s Annual Report or its annual Corporate Social Responsibility Report or through any other format as per Companies Act,2013 or rules made thereunder.
3. Interact with stakeholders, and report our CSR activities.

General:

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the CSR Committee and/or the Board of Directors. However, any such amendment shall be made into this Policy and shall be placed before the CSR Committee and the Board of Directors in the next meeting.

Interpretation:

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time shall have the meaning respectively assigned to them therein.

Amendments to the Policy:

The Board of Directors, either on its own or as per the recommendations of CSR Committee, can amend this Policy, as and when required. The decision of the Board of Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. This Policy is subject to continuous review and updates as required from time to time.

Contact:

For queries related to the CSR Policy or in connection with any of the CSR initiatives, please write to us at legal@gofreshagro.com
