

PARLE AGRO PRIVATE LIMITED'S CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble:

It is the Company's intent to make a positive difference to society. Corporate Social Responsibility (CSR) is the responsibility of the corporate entity towards the society in consideration of the support given and sacrifices made by the society by sharing part of its profit for the betterment of society.

Philosophy:

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of our Company to practice its corporate values through commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

We, Parle Agro Private Limited (PAPL) believe in transcending business interests and grappling with the "quality of life" challenges that underserved communities face and working towards making a meaningful difference to them. PAPL endeavors to continuously learn from its experiences and adapt its policies and implementation strategy on an ongoing basis.

Our mission is to improve the quality of human life by enabling people to do more, feel better and live longer. We intend to provide resources in terms of money, medicines, time and equipment to non-profit organizations to focus on programs that are 'innovative, sustainable and bring real benefits to those most in need'. Our philosophy is to target support to selected programs that are innovative, sustainable and which produce tangible results.

We intend to lend a helping hand to the underprivileged in our society through the support of women, children and the aged in the areas of health, education, Public Sanitation etc. Implementing this philosophy in spirit, we shall make a positive contribution to the communities in which we operate, and invest in health and education programs and partnerships that aim to bring sustainable improvements to these people.

Roles and Responsibilities of Board:

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

- ❖ approval of the CSR Policy of the Company;
- ❖ ensuring that the projects included in the Policy are undertaken by the Company;
- ❖ ensuring that the Company spends in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy;
- ❖ ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects;
- ❖ ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount

Composition CSR Committee:

The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors:

Ms. Schauna Prakash Chauhan - Chairperson

Ms. Nadia Chauhan – Joint Managing Director & Chief Marketing Officer

Ms. Alisha Prakash Chauhan – Director

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India.

All projects/programmes are placed before the CSR committee, specifying modalities of execution of such projects/programmes and the implementation schedules.

A robust implementation structure, monitoring process and a team of professionals is in place at the Company units.

Responsibilities of the Committee:

- ❖ shall regularly report to the Board;
- ❖ formulate and recommend the CSR Policy to the Board for approval;
- ❖ annually review the CSR policy and associated frameworks, processes and practices of the Company and recommend changes to the board;
- ❖ recommend CSR projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company;
- ❖ ensure that the company takes appropriate measures to undertake and implement CSR projects successfully;
- ❖ coordinate with Prakash Jayantilal Chauhan Foundation or such other agency for implementing programs and executing initiatives as per CSR policy and shall review the performance of Prakash Jayantilal Chauhan Foundation or such other agency periodically;
- ❖ recommend the amount of expenditure to be incurred on CSR projects;
- ❖ constitute a transparent monitoring mechanism for ensuring implementation of the CSR projects undertaken by the Company ;
- ❖ may form and delegate authority to subcommittees when appropriate;
- ❖ The committee shall have access to any internal information necessary to fulfil its role. The committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

CSR Budget:

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. All expenses incurred towards the programs to be diligently documented. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the rules made thereunder as amended from time to time, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR Policy:

PAPL will be vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The company shall constantly strive to ensure strong corporate culture which emphasizes on integrating CSR values with business objective and also pursue initiatives related to quality management, environment preservation and social awareness.

To attain its CSR objectives in a professional and integrated manner, it shall:

- Pursue a corporate strategy that enables realisation of the twin goals of shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner.
- Undertake proactive engagement with stakeholders to actively contribute to the socio-economic development of the periphery/community in which it operates.
- Implement CSR programmes primarily in the economic vicinity of its operations with a view to ensuring the long term sustainability of such interventions.
- Use environment friendly and safe processes in production. Ensure environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of natural resources. Facilitate water conservation by reducing water consumption at the plants and taking up rain water harvesting projects.
- Focus on educating the needy children by providing appropriate infrastructure, and groom them as future value creators.
- Assist in skill development by providing direction and technical expertise to the vulnerable thereby empowering them towards a dignified life.
- Emphasize on providing basic nutrition / health care and sanitation facilities with special focus on establishing health centers for the mother and child as well as the elderly.
- Create a business value chain which is sustainable – environmentally + socially + economically.
- Work towards generating awareness for creating public infrastructure that is barrier free, inclusive and enabling for all including the elderly and the disabled.
- Create positive awareness towards the need to adopt measures that lead towards reducing carbon footprints, dependence on fossil fuels and promote alternate energy approaches.
- At the time of national crisis, respond to emergency situations & disasters by providing timely help to affected victims and their families and also contribute to the Prime Minister's National Relief Fund.
- Contribute to any fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.
- Collaborate with communities and institutions to contribute to the national mission of eradicating poverty and hunger, especially in rural areas, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives.

- Assist in 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:
- Take measures for the benefit of armed forces veterans, war widows and their dependents;
- Assist in training and promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports;
- Any other CSR activity as decided by the management from time to time;

The Board shall review the CSR policy from time to time and may amend it as and when required.

Process

The CSR process shall comprise of four stages i.e.

- (1) Planning.
- (2) Implementation.
- (3) Monitoring & Evaluation and
- (4) Documentation & Communication.

Planning:

PAPL shall adopt a Bottom up Approach for planning. Activities will be planned based on Need Assessment Survey and Stakeholder consultation.

The projects to be undertaken will be recommended by the CSR Committee and submit to the Board of Directors for their final decision. The projects shall preferably be selected in proximity of our manufacturing locations so as to have a personal connect with the beneficiaries.

Joint initiatives with NGOs or other organizations carrying on the activities in-line with PAPL's CSR objectives will also be explored.

Implementation:

All CSR activities will be carried out in project mode with defined deliverables & timelines and through specialized agencies.

Monitoring & Evaluation:

Effectiveness of programme will be assessed through a monitoring mechanism.

There shall be regular monitoring at Units, Regions & Corporate Center with monthly & quarterly reporting. Full-fledged internal audit will be carried out to ensure effective implementation.

Documentation & Communication:

Communication and feedback is a good basis for measuring effectiveness, paves way for new idea generation as well as planning on what next to be done. Communication and feedback shall be done by means of annual report, internet, brochures and reports put up to the Committee of Board for CSR.