



Prataap Snacks Limited

Corporate Social Responsibility Policy

CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

We at Prataap Snacks Limited (“Company”), recognize the importance of taking responsibility for the social, ethical and environmental impact of our business, and of giving back to the society in which we operate.

Section 135 of the Companies Act, 2013 (the Act) and rules made thereunder provides the broad legal framework of Corporate Social Responsibility and requires an eligible Company to ensure spending in every financial year, at least two percent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

A. Objective:

The main objective of the policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development, making a positive impact on society, and enhancing the Company’s image as a credible and reliable business partner for suppliers, customers and society at large.

The key purpose of the Policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals;
- Define the kind of projects that will come under the ambit of CSR;
- Identify broad areas in which the Company will undertake CSR projects;
- Serve as a guiding document to execute and monitor CSR projects;

The CSR policy will enable Company:

- to undertake/promote directly or indirectly activities/projects/programs that benefit the community;
- help fulfil social responsibilities;
- maintain an eco-friendly and harmonious environment.
- social development including education, skill building, health, cultural and social welfare.

The Company’s CSR activities will not relate to (i) the business of the Company and (ii) welfare/benefits only to its employees and their families.

B. Scope/areas of CSR Activities:

The Company shall undertake its CSR activities in the following areas as specified in Schedule VII to the Companies Act, 2013:

- 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.
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 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 backward groups.
- 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.

- 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 art and handicrafts.
- measures for the benefit of armed forces veterans, war widows and their dependents.
- training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- contribution to the prime minister's national relief fund or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- rural development projects.
- 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.

- disaster management, including relief, rehabilitation and reconstruction activities.

The activities mentioned above are to be interpreted liberally so as to capture the essence of the same.

The Company may undertake any other activity apart from the above, if the same as specified in Schedule VII to the Companies Act, 2013, for the time being in force. The Company shall give preference to local area and areas around the Company where it operates for spending the amount earmarked for CSR.

The Board of Directors of the Company may decide to undertake CSR activities as recommended by the CSR Committee through a registered trust or registered society or Section 8 company as provided and in compliance of Section 135 of the Companies Act, 2013 and rules made thereunder.

C. CSR Committee:

The Corporate Social Responsibility (CSR) Committee constituted by the Board of Directors shall be as per the provisions of the Section 135 of the Companies Act, 2013 and rules made thereunder, for the time being in force and shall:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in area/subject as specified in Schedule VII to the Companies Act 2013;
- recommend the amount of expenditure to be incurred on various CSR activities in a financial year;
- monitor the Corporate Social Responsibility Policy of the Company from time to time;
- decide on any other matter/thing as may be considered expedient in furtherance of and to comply with the CSR Policy of the Company

The Committee shall meet at least once in every 6 (six) calendar months or as often as circumstances require.

D. Implementation and monitoring:

- The specific CSR activities proposed to be undertaken by the Company shall be identified and recommended by the Committee.
- To ensure effective implementation of the CSR activities/programs/projects undertaken, a monitoring mechanism will be put in place.
- In respect of the contributions made to a trust/society/section 8 company for the CSR activities, the Company will obtain commitment from the trust/society/section 8 company that it shall utilise its funds solely for the activities/programs/projects identified and approved by the CSR Committee and Board of Directors of the Company.
- The Company shall have the right to ask the said trust/society/section 8 company to provide requisite details to show that the contribution made by the Company have been spent on the earmarked activities/programs/projects.
- The Committee shall monitor in transparent manner the progress of the CSR activities/projects /programs undertaken by the Company.

E. Budget:

The CSR budget of the Company shall be fixed for each financial year on recommendation of the Committee and approval by the Board, taking into consideration the limit prescribed under the Companies Act, 2013, from time to time.

Any unspent/unutilized amount arising out of the mandated CSR allocation of a particular year, will be dealt as per the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder for the time being in force. .

F. Surplus of CSR Activities:

The surplus, if any, arising out of the CSR projects or programs or activities shall not form a part of the business profit of the Company.

G. Information dissemination:

The Company will display the CSR policy on its website and the details of CSR activities of the Company will be included in the Directors' Report as prescribed in Section 135 of the Companies Act, 2013 and the rules made thereunder

H. Interpretation:

If under any circumstances where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the CSR of the Company, the law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the applicable law, rule, regulation or standard in this regard.

I. Amendment:

This policy shall be reviewed from time to time so that the same remains compliant with applicable legal requirements. The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this policy entirely with a new policy.
