



CORPORATE SOCIAL RESPONSIBILITY POLICY OF BONN NUTRIENTS PRIVATE LIMITED

1. Preamble

Bonn Nutrients Private Limited (hereinafter referred to as “the Company”), recognizes the impact it has on communities in which it operates and believes that it has a tremendous opportunity to change the lives of these communities and aims to be a trusted partner contributing to the social, economic and environmental progress of India. As part of its dedicated approach to create economic opportunity in the communities in which it operates, the Company has been contributing its time, expertise and resources to help communities and undertaking a series of initiatives that are locally relevant.

2. CSR Policy Scope and Objective

The objective of the policy is to define Corporate Social Responsibility (CSR) approach in alignment with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time. The current CSR Activities /Projects/Programs of the Company is on the issues relating to promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects. In terms of the CSR rules issued by the MCA, the Company will also be focusing on undertaking the project /programs /activities listed below, as specified in Schedule VII to the Act excluding activities undertaken in pursuance of normal course of business of a Company:

This policy is formulated in line with the requirements of the Companies Act, 2013 (hereinafter described as “**the Act**”) and shall be applicable on uniform basis.

3. Areas of activities to be undertaken.

The Company shall be undertaking one or more of the following activities from time to time:

3.1 Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation¹ including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water:-

- Participating in the mid-day meal programs, providing financial assistance to orphanages, old age homes, child welfare organizations etc. for purchase of cereals, grocery, pulses etc. for providing nutritional food to the children and inmates.
- To spread awareness about the life style to be followed to prevent disease like diabetes, cardiac and respiratory diseases and lifestyle disorders.
- Promoting camps against use of alcohol, smoking, drug abuse etc.



- Partnering with organizations which volunteer for detection and prevention of chronic diseases, by conducting medical camps and other activities.
- To associate with schools, self-help groups, old age homes in setting up sanitation facilities and safe drinking water.
- To assist in installation of water purifiers, pumps and digging / renovation of wells in villages, townships, rural areas etc.
- To provide all assistance to poor people to prevent diseases.
- Any other projects related to the above.

3.2 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

- To provide Education Kit comprising study material, uniforms etc. to the poor students of both Govt. & Private Schools;
- Adoption of Government Schools and/ or providing financial assistance to schools, colleges, libraries, reading rooms, universities, laboratories, research and institutions of the like nature in India for the use of the students and the staff and also for the development and advancement of education and diffusion of knowledge amongst the public in general.
- To provide financial assistance to promote vocation skills among children, women, elderly and differently abled people.
- To extend support /educational assistance to children from financially backward families and underprivileged community as part of the company's social responsibility.
- To provide cash awards to students studying in School / Colleges and has secured high academic / professional records.
- Any other projects related to the above.

3.3 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;

- Activities to prevent discrimination of girl child and promote girl education and employment.
- Activities for women empowerment and health care of pregnant women.
- Support old age homes.
- Support orphanages.

- Any other project related to the above.
- 3.4 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;
- In Association with various local authorities, as part of promotion of green environment, conduct awareness programs / distribute reusable recyclable carry Bags to various households.
 - To provide all support for encouraging organic farming
 - Any other projects related to the above.
- 3.5 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;
- To provide financial assistance to local museums, heritage centres for upholding the heritage value.
 - To set up public libraries in association with local authorities in rural areas.
 - Any other projects related to the above.
- 3.6 Measures for the benefit of armed forces veteran, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- Any project related to the above.
- 3.7 Training to promote rural sports nationally recognised sports, Paralympic sports and Olympic sports;
- To provide financial assistance to centres engaged in promoting sports / providing training to promote rural sports, nationally recognized sports and Olympic sports.
 - Any other projects connected related to the above;
- 3.8 Rural development projects;
- To carry out or provide financial assistance to various rural development projects in association with local bodies.
 - Any other project related to the above.
- 3.9 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

3.10 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 Biotechnology (DBT)], 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).]

3.11 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).

3.12 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.

3.13 Disaster management, including relief, rehabilitation and reconstruction activities.

Activities not to be taken up under CSR Programme

- Activities undertaken in pursuance of normal course of business of the Company.
- Any project not in conformity or not in line with activities mentioned above.
- Any projects or programs or activities that benefit only the employees of the Company and their families.
- 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.
- Any programmes or activities of a political party under section 182 of the Act.



- Activities as obligation or for fulfilment of any requirements under an Act or Statute or Regulations (such as Labour Laws, Land acquisition Act, etc.)

4. Mode of Execution

The activities will be executed directly by the Company or through:

- A company established under Section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- 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
- any entity established under an Act of Parliament or a State legislature; or
- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

5. Methodology

The following methodology shall be adopted in planning and execution of the CSR projects, programs and activities:

5.1 Planning

The planning for Corporate Social Responsibility shall start with the identification of the activities/projects to be undertaken. CSR projects/activities shall be undertaken in the periphery where the company carries out its commercial activities as far as possible. Where this is not possible, the Company may choose to locate CSR projects anywhere in the country.

Corporate Social Responsibility strategies shall be developed that mandate the design of Corporate Social Responsibility Action Plan (which may be Long term, medium-term and short-term or Annual Plan), with project based accountability approach.

The Annual action plan under CSR shall be integrated with the social and environment concerns related to the business of the company.

Selection of activities under CSR shall be made to ensure that the benefits reach the smallest unit i.e. village, panchayat, block or district depending upon the operations and resource allocation. The approach to CSR planning shall be long-term sustainable approach. The Project Management and Monitoring skills available shall be shared as far as possible, with the local administration by training and setting up required structures and systems.

The long-term Corporate Social Responsibility Plan shall match with the long term Business Plan. This shall be broken down into medium term and short term plans.

Each of these plans shall clearly specify:

- i) Requirements relating to baseline survey;
- ii) Activities to be undertaken;
- iii) Budgets allocated;
- iv) Time-lines prescribed;
- v) Responsibilities and authorities defined;
- vi) Major results expected.

Such plans shall also clearly specify the implementation guidelines and the involvement of the implementing agency. The procedures and methodologies prescribed for monitoring shall be highlighted as well as the modalities of the concurrent and final evaluation. Finally, there shall mandatory documentation of the experience.

5.2 Implementation

CSR initiatives of the Company shall consider the following parameters for identification /selection of schemes/projects:

- (i) Thrust shall be given wherever possible to areas related to the business of the Company as a natural corollary to the business.
- (ii) CSR activities shall generate community goodwill, create social impact and visibility.
- (iii) For every project, the time frame and periodic milestones shall be finalized at the outset.
- (iv) CSR activities shall also involve the suppliers in order to ensure that the supply-chain also follows the CSR principles.
- (v) CSR activities shall help in building a positive image of the company in the public perception.
- (vi) CSR activities may also be related to Programmes on Environment.
- (vii) CSR projects may be closely linked with the principles of Sustainable Development, based on the immediate and long-term social and environmental consequences of their activities.
- (viii) The Company shall shoulder responsibility for restoring / compensating for any ecological damage that is taking place as a result of its operations.



- (ix) Care may be taken for fulfilment of the education and skill enhancement, empowerment and support, ensuring gender sensitivity, entrepreneurship development and employment generation by co-creating value with local institutions/people etc.
- (x) CSR activities may be implemented through specialized agencies, which may include one or more of the following:-
 - i) Community based organizations;
 - ii) Elected local bodies such as Panchayats;
 - iii) Voluntary Agencies (NGOs);
 - v) Trusts, Missions, etc.;
 - vi) Self-help Groups in the form of registered societies;
 - vii) Contracted agencies for civil works;
 - viii) Professional Consultancy Organizations, etc.
- (xi) Donations to philanthropic/ charity or other organizations for the CSR activities mentioned in clause 3.

The Company shall generate awareness among all levels of their staff about CSR activities and the integration of social processes with business processes. Those involved with the undertaking of CSR activities shall be provided with adequate training and re-orientation.

While assigning CSR projects to specialized agencies, every possible effort shall be made to verify the reliability and clean track record of such agencies.

5.3 Monitoring of schemes and projects

The CSR Committee/ Board of Directors shall monitor the implementation of the CSR Policy through periodic reviews of the activities undertaken by the Company under this policy.

6. Territory for CSR spend

The Company should give preference to the local area and areas around the project sites, registered office, branch offices and administration offices of the Company for spending the amount earmarked for CSR activities. The activities will be restricted to the geographical boundaries of India.

7. The CSR Budget

The amount of expenditure to be spent for CSR and the projects, programmes or activities undertaken in each financial year will be recommended by the CSR committee of the Company, if any and the same will be approved by the Board of Directors with or without modifications.

8. CSR Monitoring and Reporting Mechanism

The CSR Committee, if any, shall monitor the amount of expenditure as approved by the Board of Company. Apart from the above, the Directors' Report of the Company shall include an annual report on CSR containing the particulars in the prescribed format.



9. Surplus

Surplus arising out of CSR activities carried out by the company will not be part of business profit of the company and it shall be treated in the following manner:

- ploughed back into the same project; or
- shall be transferred to the Unspent CSR Account opened by the Company, from which the said amount shall be spent in pursuance of CSR policy and annual action plan of the Company; or
- such surplus will be transferred to a Fund specified in Schedule VII to the Act, within a period of six months of the expiry of the financial year.

10. Display of the CSR Policy on the website of the Company

This policy shall be placed on the website of the Company.

11. Validity and authority for modification/ amendments

This CSR policy shall be effective with the commencement of the Financial Year from 1st April, 2020 and will be in force till such time it is modified or amended by the Board of Directors on recommendation of the CSR Committee, if any.

12. Amendments to the Policy

The Board of Directors may amend this Policy from time to time as the situation warrants and as may be recommended by the CSR Committee, if any.

13. Validity and authority for modification/ amendments

This CSR policy shall be effective with the commencement of the Financial Year from 1st April, 2020 and will be in force till such time it is modified or amended by the Board of Directors

Notes:

1. Contribution made to 'PM CARES Fund' shall qualify as CSR expenditure under item no (viii) of Schedule VII of the Companies Act, 2013 and it has been further clarified vide Office memorandum F. No. CSR-05/1/2020-CSR-MCA dated 28th March, 2020.
2. 'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure.
3. Contribution made to State Disaster Management Authority to combat COVID-19 shall qualify as CSR expenditure under item no (xii) of Schedule VII of the 2013 and clarified vide general circular No. 10/2020 dated 23rd March, 2020.
4. Ministry vide general circular No. 10/2020 dated 23rd March, 2020 has clarified that spending CSR funds for COVID-19 related activities shall qualify as CSR expenditure. It is further clarified that funds may be spent for various activities related to COVID-19 under items nos. (i) and (xii) of Schedule VII relating to promotion of health care including preventive health care and sanitation, and disaster management. Further, as per general



circular No. 21/2014 dated 18.06.2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose

5. Payment of salary/ wages in normal circumstances is a contractual and statutory obligation of the company. Similarly, payment of salary/ wages to employees and workers even during the lockdown period is a moral obligation of the employers, as they have no alternative source of employment or livelihood during this period. Thus, payment of salary/ wages to employees and workers during the lockdown period (including imposition of other social distancing requirements) shall not qualify as admissible CSR expenditure.
6. Payment of wages to temporary or casual or daily wage workers during the lockdown period is part of the moral/ humanitarian/ contractual obligations of the company and is applicable to all companies irrespective of whether they have any legal obligation for CSR contribution under section 135 of the Companies Act 2013. Hence, payment of wages to temporary or casual or daily wage workers during the lockdown period shall not count towards CSR expenditure.
7. If any ex-gratia payment is made to temporary / casual workers/ daily wage workers over and above the disbursement of wages, specifically for the purpose of fighting COVID 19, the same shall be admissible towards CSR expenditure as a onetime exception provided there is an explicit declaration to that effect by the Board of the company, which is duly certified by the statutory auditor.