

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Title and applicability

Agrow Allied Ventures Pvt. Ltd. (“the Company” or “AAVPL”) has developed its Corporate Social Responsibility (“CSR”) policy in accordance with section 135 read with the Schedule VII of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India. This Policy, henceforth called “**AAVPL CSR Policy**”, underlines the guiding principles and mechanisms undertaking various CSR activities/programs.

2. Vision

Being a socially active Company at a global level, AAVPL cares for its environment and communities, and aims at being a responsible corporate citizen.

3. Objective

The objectives of AAVPL CSR Policy are to:

- Increasingly contribute to activities that are beneficial to the society and community at large
- Chart out a mechanism for undertaking CSR Activities
- Align and sync the activities undertaken by AAVPL with the applicable laws.

4. Areas of Focus

In accordance with the requirements under the Companies Act, 2013 and in alignment with the areas specified in Schedule VII of the Companies Act, 2013, AAVPL CSR activities, will focus on:

- **HUNGER, POVERTY, MALNUTRITION AND HEALTH**: Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water and including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation
- **EDUCATION**: Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.

- **RURAL DEVELOPMENT PROJECTS:** Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages or slum area development.
- **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **ENVIRONMENTAL SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga
- **PROMOTE RURAL SPORTS:** training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports
- Measures for the benefit of armed forces veterans, war widows and their dependents
- Disaster management, including relief, rehabilitation and reconstruction activities
- Contribution to the prime minister's national relief 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.

5. Budget

The total amount allocated (“**CSR Expenditure**”) for the expenditure on CSR Activities for each financial year by AAVPL’s may include the following:

- Two (2) per cent of the average net profits before tax of AAVPL made during the three (3) immediately preceding financial years, calculated as per Section 198 of the Companies Act, 2013;
- Any income arising therefrom;
- Any surplus arising out of CSR Activities.

Administrative overheads shall not exceed 5% of the total CSR Expenditure.

The Board would ensure to determine the quantum of the CSR Fund to be spent and allocated to various CSR Activities to be undertaken in each financial year and take all necessary approvals from the AAVPL’s Board of Directors, if required.

6. Organization Mechanism

The responsibility of implementing and supervising this AAVPL CSR Policy lies with the Board. The Board shall have the authority to take decisions on any matters with respect to CSR Activities including identifying the CSR Activities/programs/ projects, implementation of such CSR Activities, allocating the amount to be spent on each individual activity, monitoring the performance of CSR Activities, and reporting on the activities in AAVPL Annual Report.

7. Composition of the CSR Committee

Financial Year 2020-21 is the first year of applicability of the provisions of Section 135 of Companies Act, 2013. Since the CSR expenditure is less than 50 Lakhs rupees, hence the requirement for constitution of the CSR Committee is not applicable on the Company. Therefore, all the roles and responsibilities related to CSR activities shall be undertaken by the Board of the Company.

8. Implementation

The Board shall ensure that the CSR programs are implemented through one, few or all of the following methods:

- (i) directly by the company; and/or
- (ii) a registered trust or a registered society or a section 8 company established by AAVPL and/ or
- (iii) a section 8 company or a registered trust or a registered society, established by the Central Government or State Government; and/or
- (iv) any entity established under an Act of Parliament or a State legislature; and/or
- (v) through “Program Implementation Agencies” that are a registered trust or a registered society or a section 8 company provided that:
 - a) they have an established track record of 3 years in undertaking similar programs/projects; and
 - b) they have registration Certificates under Section 12A, Section 80G, etc. of the Income Tax Act, 1961, registration under FCRA (wherever mandatory) and other applicable registrations.
- (vi) in collaboration with other companies, in a manner that the CSR Committee is able to report separately on such projects/ programs; and/or
- (vii) or any other method as may be deemed appropriate from time to time or on a case to case basis.

9. Review and Amendment of AAVPL CSR Policy

The CSR Policy may be amended by the Board, as and when required.