

# **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

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# **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF ARIES AGRO LIMITED**

## **Title and applicability:**

This document articulates the Aries Agro Limited's ("ARIES") Corporate Social Responsibility ("CSR") Policy duly approved and adopted by the Board of Directors with unanimous consent at their meeting held on Friday, the 30<sup>th</sup> May, 2014 at the Registered Office of the Company. *The CSR Policy was amended upon the recommendation of the CSR Committee by the Board of Directors and the amended Policy was adopted by the Board of Directors with unanimous consent at their meeting held on Thursday, the 13<sup>th</sup> August, 2020. The CSR Policy was further amended upon the recommendation of the CSR Committee by the Board of Directors and the amended Policy was adopted by the Board of Directors with unanimous consent at their meeting held on Tuesday, the 9<sup>th</sup> February, 2021. \*The CSR Policy was further amended upon the recommendation of the CSR Committee by the Board of Directors and the amended Policy was adopted by the Board of Directors with unanimous consent at their meeting held on Thursday, the 10<sup>th</sup> August, 2023.\** This Policy applies to all CSR activities of the Company in India and seeks to conform to the requirements of Section 135 of the Companies Act 2013, the notified rules thereof and other such provisions. This Policy Document is available on the website of the Company [www.ariesagro.com](http://www.ariesagro.com).

## **I. PREAMBLE**

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Govt. alone will not be able to get success in its endeavor to uplift the disadvantaged in the Society. With the rapidly changing corporate environment, more

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functional autonomy, operational freedom etc. The Company has adopted CSR as a strategic tool for sustainable growth. For Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

Even much before the issue of CSR became global concern; the Company was aware of its Corporate Social Responsibility and was fulfilling the aspiration of the Society through well-defined “Community Development Policy”. This has resulted into a harmonious relationship between ARIES AGRO LIMITED and the Community.

## **II. INTRODUCTION**

In the aforesaid backdrop, our policy on Corporate Social Responsibility of Company is broadly framed taking into account the following measures: -

- a) Welfare measures for the community at large including employees and their families, so as to ensure the disadvantaged sections of the Society derived the maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and generation of income.
- c) Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products.

## **III. OBJECTIVE**

The main objective of CSR policy is to lay down guidelines for the companies to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. A strategic CSR programme that aligns business risks and opportunities with the national agenda of development priorities is

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envisaged to meet the needs and aspirations of the populace preferably around the operations or service centres of the Company.

## **IV BUDGETS AND ANNUAL ACTION PLAN**

A specific budget will be allocated for CSR activities. This budget will be in accordance with the tenets of Section 135 of the Companies Act 2013 and project driven. Utilisation certificates, as appropriate will be sought for all projects implemented by registered partners.

Any surplus arising out of the CSR activities, if any, will not form part of the Profit and Loss Account and any surplus will be spent for specified activities in addition to the budget fixed as per the norms of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 herein after referred to as Rules. \* Any un-spent amount on the CSR activities, will be dealt with as per the norms of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014.\*

The Board of Directors of the Company, upon recommendation of CSR Committee, will consider and approve the Annual Action Plan of the Company for CSR activities and amount to be spent on each specified activities or project(s) before the beginning of the each Financial year i.e. April to March.

## **V. AREAS TO BE COVERED**

The farmers living in different parts of India would normally be covered. For carrying out CSR activities, 100% of the budget would be spent on CSR activities within the Country.

Chairman & Managing Director/Executive Director of the Company shall exercise their delegated powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly executed by Company in the areas in which its operating units are located.

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## **VI. SCOPE**

### **i. EDUCATION**

- Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.
- Adult literacy especially amongst those belonging to BPL.
- Awareness programmes on farming practices.
- Counseling of farmers for best practices in agriculture
- Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get uninterrupted education.
- Institutionalizing ARIES AGRO LIMITED Scholarships and Awards to deserving and meritorious Students.

The above Scholarships will be operated centrally by Company through respective educational institution.

### **ii. ENVIRONMENT**

- Organizing sensitizing programmes on Farm Management and Residue Control.
- Green belt Development
- Afforestation, Social Forestry, Check Dams, Parks.
- Development of jobs related to agro product i.e., Dairy/Poultry/farming and others.
- Plantation of saplings.

### **iii. SOCIAL EMPOWERMENT**

- To provide assistance to villagers having small patch of land to develop farming, medicinal plants, farming & other cash crops to make them economically dependent on their available land resources. Training may be provided by agricultural experts for farming.

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- Organizing training programmes for farmers on crop management, food processing, post harvest management, etc.

### **iv. INFRASTRUCTURE SUPPORT**

- Rural Schools – distribution of books / uniform
- Auditorium,
- Educational Institutions
- Community Centre,
- Sulabh Souchalaya,
- Development of Park
- Old Age Home.
- Village adoption
- Soil sampling / testing
- Recycling of packaging materials
- Farmer Call Centre
- Medical Insurance
- Farmer Education
- Flood / drought relief
- Scholarships
- Forest development projects

### **v. OTHE ACTIVITIES**

- a) Grant/donation/financial assistance/sponsorship to reputed NGOs of the Society/locality doing/involve in up-liftment of the standard of the society.
- b) Heritage sites in the CSR purview ensuring involvement of employee's representatives in this Project.
- c) Empowerment of women for education/health & self employment
- d) Relief of victims and Natural Calamities like Earth Quake, Cyclone, Drought and Flood situation in any part of the country.

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e) Disaster Management Activities including those related to amelioration/Mitigation.

- The above list is illustrative and not exhaustive. CMD/ED shall be authorized to consider CSR activities not falling in this list subject to the approval of the Board of Directors under the Annual Action Plan or any modification thereto.
- The activities will be specific to the village depending on the need assessed for the people. As far as possible efforts will be made to co-ordinate with similar CSR activities that are taken up by the Central or State Government and Agriculture Dept. in the areas of ARIES AGRO LIMITED.
- All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society.

*The above list is illustrative and not exhaustive. CMD/ED shall be authorized to consider CSR activities not falling in this list but mentioned in the Schedule VII to the Companies Act, 2013.*

### **VII. IMPLEMENTATION**

- a) The investment in CSR should be project based and for every project time framed periodic mile stones should be finalized at the outset.
- b) Project activities identified under CSR was implemented by Specialized Agencies and specifically designated staff of the organization. Specialized Agencies could be made to work singly or in tandem with other agencies and designated Company Staff.
- c) Such specialized agencies would include:
  - i. Community based organization whether formal or informal.
  - ii. Elected local bodies such as Panchayats
  - iii. Voluntary Agencies (NGOs)
  - iv. Institutes/Academic Organizations
  - v. Trusts, Mission etc.

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- vi. Self-help groups
  - vii. Government, Semi Government and autonomous Organizations.
- (d) Activities related to Sustainable Development will form a significant element of the total initiatives of CSR. Such activities should come under the 3 UN Global Compact Principles pertaining to the Environment Business are asked to
- a) Support a precautionary approach to environmental challenges
  - b) Undertake initiatives to promote greater environmental responsibility and
  - c) Encourage the development and diffusion of environmentally friendly technologies.
- e) The CSR Activities of the Company would be carried out by the Company directly but it may also be carried out as may be decided by the Board of Directors:-
- i) Through a Company established under Section 8 of the Act, or a Registered Public Trust or a Registered Society, registered under Section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other Company who has register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01<sup>st</sup> day of April 2021.
  - ii) The Company may engage International 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.
  - iii) The Company may also collaborate with other Companies for undertaking projects or programmes 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 programmes in accordance with these rules
- f) The Company may interchange the CSR Expenses amongst the different Projects.
- g) The activities of the CSR Committee will be as under:-
- 1) To decide the areas for undertaking activities under CSR and ensure to avoid duplicity of tasks/project objectives.

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- 2) To conform to the Voluntary Guidelines for Corporate Social Responsibility framed by the Central Government from time to time.
- 3) To fix the overall activity wise Budget within the norms under the Companies Act, 2013 and decide how to utilize the entire fund including surplus or unspent amount of the previous year.
- 4) To formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR Policy, which shall include the following, namely:-
  - (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - (b) the manner of execution of such projects or programmes as specified in CSR Rules;
  - (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (d) monitoring and reporting mechanism for the projects or programmes; and
  - (e) details of need and impact assessment, if any, for the projects undertaken by the company:

*Provided that Board may alter such plan at any time during the Financial Year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect. ”.*

- 5) To decide the priority of activities to be undertaken under CSR.
- 6) To interact with the CSR Implementing agencies for determining the activities to be undertaken.
- 7) To monitor and review the progress of activities Undertaken/completed.
- 8) To delegate powers and authorities to the executives or form the committees.

### **VIII—Composition of the CSR Committee:**

\*The composition of the CSR Committee will be as decided by the Board of Directors from time to time, in line with the requirement of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014.\*



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## **IX. MONITORING & EVALUATION FRAMEWORK**

All activities will be governed by a pre-set monitoring and evaluation framework.

The framework will include the key performance indicators, milestones and reporting periodicity prior to commencement.

Key performance indicators will include both quantitative and qualitative measurable.

Financial and timelines based measurement will be included with regular financial and progress reporting mechanisms.

Key objectives of monitoring throughout the implementation period will be to establish whether:

- The projects are making satisfactory and timely progress towards the objectives agreed.
- The financial management and reporting are satisfactory.
- To flag any course correction required.

Projects will evaluate the success of social investments at the end of their implementation period and document any lessons learned.

## **IX. DOCUMENTATION**

Meticulous documentation relating to CSR approaches policies, programmes, expenditures, procurement etc. should be prepared and put in the Public Domain,(particularly through the internet) and made available to the National CSR Hub of Tata Institute of Social Sciences .

## **X. REFLECTION OF CSR ACTIVITIES**

Annual audit of all activities undertaken by the company would be done by local Authorized auditor. The CSR activities will be reflected in the Annual Report and Accounts of ARIES AGRO LIMITED under Social Overhead (CSR). The Committee constituted in the area will inspect all sites and reflect the same to CSR Cell for their information, record and further action.

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## **XI. CONCLUSION**

The above guidelines would form the framework around which the CSR activities would be undertaken. Since CSR Policy of Company includes all the Community Development activities in a broader perspective, the CSR Policy of Company will supersede earlier policies relating to CSR, if any. Company will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

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**Note:** *\*Amended by the Board in its Meeting held on 10.08.2023*