

ITEM NO. 15

CORPORATE SOCIAL RESPONSIBILITY POLICY

A. BACKGROUND

- i. In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, IFB Agro Industries Limited ('IFB Agro' or 'the Company') is, inter alia, required to:
- ii. Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- iii. Ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits before Tax (PBT) of the Company, made during the three immediately preceding financial years, in pursuance of its CSR Policy.

B. OBJECTIVE OF THE CSR POLICY

- i. To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- ii. To take up programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.

C. THE CSR ACTIVITIES TO BE UNDERTAKEN ARE AS UNDER:-

- a. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- b. Eradicating Hunger, poverty and malnutrition, promoting healthcare including preventive Healthcare & Contribution towards Hospital R&D, Medical Equipment etc due to COVID-19 situation & sanitation and making available Safe drinking water.
- c. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- d. Rural development projects.
- e. 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;

D. COMPOSITION OF CSR COMMITTEE:-

Sl. No.	Name of Director	Designation / Nature of Directorship
1.	Mr. A.K. Banerjee	Chairman, Non-Independent Executive Director
2.	Mr. H.R. Agarwal	Member, Independent Non-Executive Director
3.	Mr. M.K. Vijay	Member, Independent Non-Executive Director

The Company Secretary shall act as the Secretary to the Committee.

E. CSR COMMITTEE AND IT'S ROLE

- Recommend to the Board CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company in accordance as specified in Schedule VII of the Companies Act, 2013.
- Review, allocate and recommend the budget for the CSR expenditures to be undertaken by the Company on an annual basis.
- Advising and monitoring compliance of the expenditures incurred on CSR activities.
- Any other matters as may be considered necessary by the Members of the Committee in furtherance of and to comply with the CSR Policy.

F. BOARD OF DIRECTORS AND ITS ROLE

- Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- Ensure implementation of the activities under CSR Policy.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board/Committee and the Chief Financial Officer shall certify to the effect.
- Approve transfer of unspent CSR Amount/adjustment of excess amount spent in accordance with the law, if applicable.
- Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.

G. THE BOARD SHALL ALSO ENSURE THAT THE CSR ACTIVITIES ARE UNDERTAKEN BY THE COMPANY ITSELF OR THROUGH REGISTERED INTERMEDIARY VIZ,

- 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, 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, not referred to above, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least 3 (three) years in undertaking similar activities.

Provided that in case of any amendment in the Act / the Rules specifying any criteria for implementing agencies, the same shall be applicable in addition to the above criteria (to the extent applicable). Provided also that the CSR Committee may waive one or more of the above criteria on case to case basis.

Every entity as covered above, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar (or such other form or document as may be required), for projects or programmes approved, with effect from 1st April 2021.

H. ANNUAL ACTION PLAN (AAP)

The CSR Committee shall be responsible for formulating and recommending a CSR annual action plan, which shall include:

- the list of approved CSR projects and programmes of the Company that are approved to be undertaken in areas;
- the manner of execution of such projects or programmes;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes;

The Board of Directors may approve the AAP with such further conditions as it deems fit and further alter AAP at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

I. INFORMATION DISSEMINATION

- Appropriate documentation of the CSR Policy, annual CSR activities and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
- CSR initiatives of the Company will also be reported in the Annual Report of the Company.

J. GENERAL

Words and expressions used but not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the CSR Rules made thereunder or in any amendment thereto. This Policy shall also be subject to such clarifications and FAQs as may be issued by MCA from time to time. The Company reserves the right to modify, cancel, add, or amend any of these Rules.