



BEST AGROLIFE LIMITED

CORPORATE SOCIAL RESPONSIBILITY
(CSR) POLICY

BACKGROUND

In conformity with the requirements laid down under The Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the “CSR Rules”) issued by the Ministry of Corporate Affairs (“MCA”), Government of India under Section 135 of the Companies Act, 2013 (“the Act”) the CSR Committee of the Board had drafted a CSR Policy, which was approved by the Board of Directors at their meeting held on **July 07, 2020**.

Later, in order to incorporate further changes in the CSR policy as per the latest amendments provided in The Companies (Corporate Social Responsibility Policy) Rules, 2021 read with Schedule VII of the Companies Act 2013, the Board of Directors had adopted a revised CSR Policy for the Company at its meeting held on **June 30, 2021**. The Policy can be downloaded from the website of the Company at www.bestagrolife.com

PREAMBLE

The Policy outlines the Company’s responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for the welfare & sustainable development of the community at large.

The core purpose of CSR is the continuing commitment by business to ethical principles, protection of human rights, care for the environment while improving the quality of life of all stakeholders including the local community and society at large.

The Company believes that all the stakeholders must be benefited, whether it is employee welfare or involvement of the employees in fulfilling the needs of the society. It firmly believes in sharing its prosperity with the society in which it operates. Best Agrolife Ltd., being a responsible corporate citizen, has always believed in going beyond mere compliance with the laws of the land. Thus, the objective of the CSR Policy of the Company is not just to meet the legal requirements, but to have a profound positive social impact. The CSR policy of, the Company is an effort to uphold the interest of various stakeholders, along with the community and the environment as a whole.

OBJECTIVES

The main objective of the CSR Policy is to lay down the guidelines for CSR activities of the Company. Best Agrolife Limited aims to create economic value and to actively contribute towards the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance.

DEFINITIONS

In these rules, unless the context otherwise requires,-

- (a) "Act" means the Companies Act, 2013 (18 of 2013);
- (b) “Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility

functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

(c) "Annexure" means the Annexure appended to these rules;

(d) "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-

(i) activities undertaken in pursuance of normal course of business of the company:

Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

(a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;

(b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;

(ii) 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;

(iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;

(iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);

(v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

(vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

(e) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;

(f) "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;

(g) "International Organisation" means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;

(h) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: - (i) any profit arising from any overseas branch or

branches of the company, whether operated as a separate company or otherwise; and (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

- (i) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
- (j) "Public Authority" means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);
- (k) "section" means a section of the Act

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act."

CSR ACTIVITIES

The Company may undertake any of the following activities or such other activities as may be notified by the government from time to time:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive healthcare 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;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. 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;
- iv. 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;
- v. 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;

- vi. Measures for the benefit of armed forces veterans, war widows and their dependents; Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. 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;
- ix. (a) Contributions 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; and

(b) 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 Homeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence 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)
- x. Rural development projects;
- xi. Slum area development;
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.
- xiii. Any other activities in relation to above and all other activities which forms part of CSR as per Schedule VII of the Companies Act, 2013 as amended from time to time.

EXCLUSIONS

The CSR shall not include the following activities:

- i. activities undertaken in pursuance of normal course of business of the Company;
- ii. 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;
- iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- vii. Any surplus arising out of CSR activities shall not form part of business profit and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account.

The CSR activities shall be undertaken in India for the benefit of general public. Provided that preference shall be given to the local area and areas, where the Company operates, for spending the amount earmarked for the CSR activities.

CSR RESOURCES

CSR Corpus of the Company shall include the following:-

- i. 2% of average net profits of the Company (as stipulated under the Companies Act, 2013) made during the immediately three preceding financial years.
- ii. Any surplus arising out of CSR activities, if any.

CSR COMMITTEE

The CSR committee of the Board of Best Agrolife shall consist of the following:

1. Mr. Braj Kishore Prasad- Chairman
2. Mrs. Chetna- Member
3. Mr. Shuvendu Kumar Satpathy - Member

IMPLEMENTATION

1. The Company shall undertake the CSR activities itself or through –

- a. A Company established under Section 8 of the Act, or a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax, 1961, established by the Company, either singly or along with any other Company;
or
- b. A Company established under Section 8 of the Act or registered trust or a registered society, established by the Central or State Government; or
- c. Any entity established under an Act of Parliament or a State Legislature; or
- d. A Company established under Section 8 of the Act or a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax, 1961

and having an established track record of at least three years in undertaking similar activities.

Note: Every entity, 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, with effect from the 01st day of April 2021.

2. A 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.

MONITORING

The Board of a Company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.”

REPORTING

1. The CSR Committee shall 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
 - (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;
2. The Balance Sheet of a foreign company, shall contain an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable.
3. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

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.”

4. Every Company having average CSR obligation of Rupees 10 Crore or more in pursuance of Section 135(5) of the Companies Act, 2013, in the three immediately preceding financial years, shall undertake impact assessment through an

Independent Agency, of their CSR projects having outlays of One Crore Rupee or more, and which have been completed at least 1 year after undertaking the impact study/ assessment.

5. The Board shall specify reason for not spending amount in its report and shall transfer such unspent amount within 6 months from the expiry of the financial years.

CSR EXPENDITURE

1. The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
2. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
3. Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.
 - (ii) the Board of the company shall pass a resolution to that effect.
4. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –
 - (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or
 - (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - (c) a public authority:

WEBSITE DISPLAY

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

GENERAL

- i. In case of any doubt with regard to any provision of the policy and also in respect of the matters not covered herein, a reference to be made to the CSR

Committee. In all such matters, the interpretation & decision of the Chairman of the Committee shall be final.

- ii. Any or all the provisions of CSR Policy would be subject to revision/ amendment in consultation with CSR Committee and in accordance with the guidelines on the subject as may be issued by the Government from time to time.

AMENDMENT

The Company or the Board reserves its right to modify, cancel, add or amend this Policy in whole or in part, at any time without assigning any reason whatsoever. However, this policy, in whole or in part shall stand modified/amended from time to time, without any further act on the part of the Company, as and when there would be any statutory modification(s)/ amendment(s)/ revisions(s) made to the applicable provisions of the Companies Act, 2013 or the Rules made there under

ANNEXURE - II

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.
2. Composition of the CSR Committee:

S.N.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Numbers of meetings of CSR Committee attended during the year

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S.N.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
	TOTAL		

6. Average net profit of the Company as per section 135(5).

7.

7 (a)	Two percent of average net profit of the company as per section 135(5)	
7 (b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	
7 (c)	Amount required to be set off for the financial year, if any	
7 (d)	Total CSR obligation for the financial year (7a+7b+7c)	

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
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	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	State	District	Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs)	Mode of Implementation - Direct (Yes/No).	Name	CSR Registration No.

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the Financial Year = (8b+8c+8d+8e)

(g) Excess amount for set off, if any

S.N.	Particular	Amount (In Rs.)
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(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S.N.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
TOTAL							

10. . In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Sd/-

CEO/MD

Sd/-

Chairman CSR