

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

The Corporate Social Responsibility (“CSR”) Projects that Noveltech Feeds Private Limited (hereinafter referred as “We” or “Noveltech” or “the Company”) implements are based upon its heritage, values, and its motivation to be an outstanding corporate citizen and pursue a holistic and inclusive growth that encompasses various dimensions of life.

While we strive to pursue excellence in our business through technology and innovative solutions, we also believe that our businesses are not pursued in isolation but built integral to the concept of ‘**inclusive growth**’ with strong social relevance and contribution to all the stakeholders of the Company and the society at large.

The Company does not expect any favorable treatment by implementation of CSR activities. The primary objective of the Company’s CSR Policy is to provide a framework for systematic implementation of the CSR programmes/ initiatives in complete harmony with the Company’s mission and sensitivity to its business culture, environment, risk profile and operating conditions.

### **I. Key words & meanings:**

1. **Act** shall mean the Companies Act, 2013, including any modifications, amendments or re-enactment thereof.
2. **Approved Budget** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
3. **Board** shall mean the Board of Directors of the Company.
4. **CSR Budget** shall mean the yearly budget detailing the estimated CSR expenditure for the financial year as provided under section 135 of the Act.
5. **CSR Committee** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.
6. **CSR Policy** shall mean the present Corporate Social Responsibility Policy of the Company including its amendments thereof from time to time.
7. **CSR Projects** or **Projects** means Corporate Social Responsibility projects/activities/ programs/ initiatives instituted in India, either new (or) ongoing and includes but not limited

to those undertaken by the Board in pursuance of the recommendations made by the CSR Committee.

8. **Financial Year** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
9. **Rules** shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment(s), modification(s) or amendment(s) thereof from time to time.

## **II. CSR Policy – Objectives:**

The main objective of the CSR Policy is to lay down the guiding principles in undertaking various programs and projects under the Company's CSR Projects within the meaning of section 135 of the Act read with CSR Rules, including any statutory re-enactment(s), modification(s) or amendment(s) thereof.

Accordingly, this policy document aims to outline:

1. The policy objective/ approach of the Company with respect to CSR activities.
2. The structure of CSR Policy making and execution – Constitution and role of CSR Committee, meetings and procedure thereto.
3. The guiding principles/ working methodology to be followed with respect to the Company's CSR Programmes, *inter alia*, include the following:
  - a. Criteria for adoption of projects/ activities to be undertaken under CSR Programme of the Company;
  - b. Approach of the Company with a broader list of activities under Schedule VII of the Act, to be pursued from time to time, including pursuit of collaboration with other Companies, Educational institutions, Societies, NGOs, State Government or Central Government departments and such other institutions for promoting and implementing the objectives of this CSR;
  - c. Methodology to be followed on allocation of funds for execution of CSR Projects, their monitoring and reporting;

- d. Approach on contribution of donations to charitable trusts, institutions and other social organizations from time to time as may be approved/ ratified by the Board of the Company, based on the recommendation of the CSR Committee;
- e. To define the list of prohibited activities under CSR and such other matters as deem necessary from time to time in consultation with the CSR Committee and Board;
- f. To provide such other miscellaneous support necessary for effective implementation of CSR Programmes in line with the Policy.

### **III. CSR Policy – Approach:**

1. The CSR activities shall consist of such activities that are undertaken either by the Company and / or specialised agencies in conformity with Schedule VII of the Act, as amended from time to time. A list of CSR activities permitted under the Act is given as *Exhibit 1*.
2. The mode of implementation of CSR programmes may be:
  - a. Direct implementation by the Company; or
  - b. Indirect implementation through Qualifying Implementation agency (as under CSR Rules) or in partnership with government institutions, training institutes, not for profit organizations and others (as under CSR Rules); or
  - c. A combination of direct and indirect modes.
3. For large CSR Projects, the Company shall endeavour that the CSR activity chosen has the potential for a prolonged/ lasting impact on the beneficiaries/ society at large.
4. The CSR activities should have an overriding focus and commitment on supporting activities that support the needs of individual beneficiary (or) public undertakings (or) user communities (or) society at large.
5. The CSR Project or activities that only benefit the employees or their families shall not be considered as CSR activities.
6. CSR activities that involve formulation and implementation of solutions in areas of technical competence and expertise of the Company shall be accorded higher priority vis-a-vis other normal activities.

7. While the geographical coverage of the CSR activities may be required to be spread across India on account of various factors and considerations, wherever possible and feasible, priority would be accorded to projects/ programmes that aim to address the needs of stakeholders in immediate vicinity of Noveltech group's manufacturing locations/ plants/ offices.
8. As much as practicable, the information on CSR activities being undertaken should be disseminated amongst others to the employees of the Company and the Company would encourage its employees to volunteer in community services as part of broader CSR mandate, but excluding at all times monetisation of such an initiatives.
9. The Company's approach, wherever feasible, shall be always to explore activities that involve a combination of financial grants, technology, in-kind program contributions, and other activities which may include employee volunteering, expertise sharing, infrastructure setup support and not monetary grants alone.
10. In pursuing CSR activities, the Company and its employees shall abstain any form or format of policy advocacy, funding public interest litigations, regulatory pursuit and lobbying activities, in whatever name, format or the cause that is being pursued.
11. The Company is committed to establish best practices in CSR and shall be guided by the following principles:
  - **Shared Responsibility** – As CSR involves everyone in organization, sharing the responsibilities of ownership would be a vital principle of CSR Policy.
  - **Openness and Accountability** – The Company shall be transparent in communicating its CSR Policy, objectives and performance to all its stakeholders.
  - **Continuous Improvement** – To develop best practices for measurement and improvement of CSR Performance along with implementation of specific environmental and social policies and procedures, monitor performance, set targets for improvement and report progress.
  - **Statutory Compliances** - To meet all relevant statutory legislation and compliance requirements as well as seek to develop and implement appropriate methods and standards.

#### **IV. CSR Committee:**

##### **A. Constitution of CSR Committee**

The CSR Committee, duly constituted by the Board of the Company, shall be the primary body for the formulation, recommendation, administration, monitoring and reporting of the CSR Programme of the Company. The CSR Committee may invite various consultants, subject matter experts, honorary guests and other invitees as per requirement.

The CSR Committee of the Company has been constituted in conformity with the provisions of the Act, and as on date, the members of the Committee are:

Dr Shailesh Ayyangar – Chairman of the Committee  
Dr Sandeep Karkhanis – Member  
Mr. Rangaswamy Iyer – Member

##### **B. Meetings and Quorum of the CSR Committee**

Meetings of the CSR Committee shall be held on a requirement basis, as it deems appropriate. Minutes of the CSR Committee shall be recorded and circulated to the members of the Committee within the prescribed timelines under the Companies Act, 2013 and applicable secretarial standards.

Quorum for the meetings shall be two members and the Company Secretary shall act as the Secretary to the Committee.

##### **C. Role / Responsibility of the CSR Committee**

Considering the objectives of the CSR Policy, the CSR Committee shall be enjoined with the following responsibilities:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.
2. Recommend to the Board, annual action plan in pursuance to CSR initiatives to be undertaken by the Company. The broad parameters of annual action plan includes:
  - a) list of the projects, programs and activities to be undertaken by the Company towards its CSR initiatives;
  - b) the manner of execution of such projects or programs.
  - c) the modalities of utilization of funds and implementation schedule for projects or

programs.

- d) the amount of expenditure to be incurred in each of the activities.
  - e) monitoring and reporting mechanism for projects or programs;
  - f) details of need and impact assessment, if any for the projects or programs.
3. Draft, monitor and review suitable CSR Policy adjustments/ amendments that may be required to be carried out and recommend the same to the Board for approval from time to time.
  4. Carry out such other functions as may be delegated by the Board of the Company.

**V. Fund Allocation, Monitoring & Reporting:**

1. The CSR Committee shall be responsible for providing guidance to the Company or the Board for acceptance of various projects and allocation of funding thereto. Any post approval modifications/ variations in the funding are to be appropriately recorded and documented.
2. The CSR Committee of the Company shall oversee/ monitor the implementation of various CSR Projects or programs undertaken by the Company from time to time. The Committee shall ensure that:
  - a. The projects/ programs are implemented as per the approval of Board of the Company.
  - b. The budget allocated for each project shall be made available as per the approved plans and any flexibility / changes sought by the Implementation Agency shall be duly considered and recommended to the Board for approval.
  - c. The objective of the project/program is achieved as per the approved plans.
3. The CSR Committee shall be entitled to draw upon other resources as well as human capital of the Company for implementation and the effective monitoring of the CSR Projects and programs as may be directed from time to time by the CSR Committee.
4. The Board shall satisfy itself that the funds so disbursed have been utilized 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.
5. Board may alter annual action plan at any time during the financial year, as per the recommendation of CSR Committee, based on the reasonable justification to that effect.

6. 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.

**VI. CSR Surplus:**

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company and shall instead be ploughed back into the same project or shall be transferred to the unspent CSR account and spent in pursuance of this policy and annual action plan of the Company or transfer such surplus amount to fund, as prescribed under the Act.

**VII. Prohibited activities under CSR:**

The Company prohibits the following activities under CSR:

1. No CSR funds of the Company shall be utilized for taking up activities outside India.
2. No CSR funds shall be used for Projects or programs or activities that benefit only the employees of the Company or employees of group companies.
3. No CSR funds shall be utilised towards contribution of any amount directly (or) indirectly to any political party.
4. No CSR funds would be provided to undertake any activities / campaigns that is directly related to marketing of Company's products or services to its beneficiaries.
5. Such other item of prohibition as may be notified by the Ministry of Corporate Affairs/ Government from time to time.

**VIII. Miscellaneous:**

1. The objective of the policy is to act as a guideline for the Company in its endeavour to undertake projects of social importance, to create societal capital/assets for the common good and hence the list of activities shall be interpreted in a liberal manner that will advance the CSR objectives.



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2. This Policy is effective from the date of approval by the Board of the Company in which this policy is approved.
3. The CSR Policy of the Company may be amended at any time by the Board of the Company by passing a resolution, upon the recommendation of the CSR Committee. All amendments will be effective from the date of Board Meeting approving such modifications.
4. This Policy shall be deemed to have amended or modified to the extent of any modification/amendments or clarifications issued by the Central Government from time to time in relation to the CSR obligations of companies and shall be interpreted accordingly.





**Exhibit 1 – List of CSR activities permitted under the Companies Act, 2013**

Activities which may be included by companies in their Corporate Social Responsibility Policies  
Activities relating to:—

(i) Eradicating hunger, poverty and malnutrition, [“promoting health care including preventive health care”] 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 art 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 recognised 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;



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(ix) (a) 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; 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 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).]

(x) rural development projects

(xi) 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.]

(xii) disaster management, including relief, rehabilitation and reconstruction activities.