



SHIVA GLOBAL AGRO INDUSTRIES LIMTIED

CORPORATE SOCIAL RESPONSIBILITY POLICY

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Preamble

The Shiva Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas.

Shiva Global Agro Industries Limited upholds the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. We believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. Therefore, our philanthropic endeavours are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sections of the society.

Shiva Global Agro Industries Limited has been carrying out Corporate Social Responsibility (CSR) activities through various trusts charitable trusts engaged in the field of Education, Healthcare and other permitted social activities. CSR activities are also proposed to be taken at local level for the benefit of community around its local areas where manufacturing units are placed.

Corporate Social Responsibility Purpose Statement

The Company shall seek to impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. We are dedicated to the cause of empowering people, educating them and in improving their quality of life. While we will undertake programme based on the identified needs of the community, education and healthcare shall remain our priority. Across the different programme areas identified by the company, it would be our endeavour to reach the disadvantaged and the marginalised sections of the society to make a meaningful impact on their lives.

Shiva is committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programme;
- Promotion of sports through training of sportspersons;
- Undertake rural development projects;
- Any other programme that falls under our CSR Policy and is aimed at the empowerment of disadvantaged sections of the society.

Scope

This policy will apply to all projects/programmes undertaken as part of Shiva's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliancy and alignment with the activities and rules of Schedule VII and Section 135 of the Companies Act 2013.

Governance

The approval of the CSR policy and oversight is the responsibility of Company's Board of Directors. It is the responsibility of Board to promote the strategy and to administer the policy through implementing partner(s) or via self-implementation. The Board shall provide guidelines for projects/partner selection to the respective HR or CSR teams, wherever applicable. The Board shall also ensure that projects/programmes are compliant with regulations and are monitored and reported effectively.

As the Company's CSR activities evolve, the policy may be revised by the Board of Directors.

CSR Spend

The Board shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013, as amended from time to time.

The amount spent on CSR activities in excess of mandatory requirement, may be set off against the requirement to spend towards CSR under the Act up to immediate succeeding three financial years subject to the conditions prescribed in the Act and the Rules made thereunder.

The unspent amount of CSR during a financial year, if any, not pertaining to any ongoing project shall be transferred by the company to any fund specified in Schedule VII of the Act within six months from the expiry of the financial year.

The unspent amount of CSR during a financial year, if any, pertaining to any ongoing project, fulfilling such conditions as may be prescribed under the Act or the Rules made thereunder, and under the Policy, shall be transferred to a special bank account to be opened in this behalf for that financial year in a scheduled bank to be called "Unspent CSR Account" and such amount shall be spent by the Company towards CSR activities within a period of three financial years from the date of the transfer, failing which the Company shall transfer the same to a fund specified in Schedule VII of the Act within 30 days from the expiry of the third financial year.

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account. The same shall be spent in pursuance of CSR policy or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

CSR amount may be spent by the 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 a registered society, having charitable objects and CSR Registration Number as prescribed under the Act and the Rules made thereunder; or
- b) Beneficiaries of the said CSR project in the form of self-help groups, collectives, entities; or
- c) Public authority.

Implementation

The Company shall undertake CSR project/programmes identified and approved by the Board of Directors in line with the CSR Policy.

The Company shall implement its CSR programmes/projects:

- 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 Act, 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 a registered public trust or a registered society, established by the Central Government 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 Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- e) Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Companies Act 2013; or
- f) On its own, through the relevant HR or CSR department; or
- g) Through its own foundation specifically created for implementing its CSR initiatives.

The Company may enter into partnerships or alliances with NGOs, Trusts, or other Corporate Foundations etc. to effectively implement its CSR programmes/projects.

The Company may also implement programme in collaboration with other company(ies), if permissible and feasible.

The Company shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners.

The board shall make sure the CSR funds disbursed for ongoing projects are utilised for the purposes in the manner as it was approved by the board and Chief Financial Officer shall certify the same.

CSR Programmes/Projects

The Company would be adopting a focused and a structured approach towards implementing its CSR initiatives. It has identified thematic and programme areas to guide the design, intent and approach of its CSR initiatives. These are broad thematic areas with focus on quality service delivery and empowerment.

The programme areas are:

- Providing basic health care facilities to economically backward societies across geographical areas,
- Improving access to education,
- Provision of Skill Development/Vocational Training,
- Rural Development,
- Environmental sustainability,
- Promoting Sports, arts & culture,
- Sustainable livelihood including setting up old age homes, day care centres and such other facilities for senior citizens,
- Road safety campaign
- Disaster Relief Programmes
- Women empowerment
- Any other programme that falls under CSR Policy and which are in alignment with the activities listed in Schedule VII and Section 135 of the Companies Act, 2013 and the rules framed thereunder.

Monitoring and Reporting

The Board will oversee the implementation and monitoring of all CSR projects/programmes and periodic reports shall be reviewed

The Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes, as well as for capacity building of their own personnel for CSR.

The board shall monitor the implementation of the project on approved timelines, year-wise allocation and shall make modification if any, ensuring smooth implementation of the Project.

The CSR Policy and Projects approved by the Board shall be disclosed in company's website for public access.

The company, subject to conditions as laid down under Act and Rules, shall undertake impact assessment for the projects through independent agency.

The Company will institute a well-defined, transparent monitoring and review mechanism to ensure that each CSR project/programme has:

1. Clear objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary);
2. Clear targets, timelines and measureable indicators, wherever possible;
3. A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act 2013 and the CSR Rules.

