

OCEAN AGRO (INDIA) LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PHILOSOPHY

Ocean Agro (India) Limited ('Company') has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility ('CSR') initiatives and enhanced value in the society.

Social and environmental responsibility has always been at the forefront of the Company operating philosophy and as a result the Company consistently contributes to socially responsible activities. CSR at the Company portrays the deep symbiotic relationship that the group enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

2. VISION

Improve Quality of Life for All our Communities through Integrated and Sustainable Development.

3. GROUP VALUES

Courage	To embrace new and Innovative ideas for betterment of people
Trust	Believe in all stakeholders
Commitment	Stand by our promises and adhere to high standard of work in all CSR activities

4. GROUP CULTURE: (PRIDE)

Passion	Performing with enthusiasm and Energy and true passion
Result	Consistently achieve goals, Resourcefulness which brings desired results
Integration	Working across functions and businesses to create synergy with integrity
Dedication	Working with commitment in the pursuit of our aim
Entrepreneurship	Seizing opportunity with initiative and ownership evolving replicable models

5. CONSTITUTION OF CSR COMMITTEE

Keeping in line with section 135 of the Companies Act, 2013 and the rules there under (hereinafter referred to as 'the Act'), the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') headed by an Independent Director, to inter alia, carry out the following functions:

- i). To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
- ii). To recommend the amount of expenditure to be incurred on the CSR activities
- iii). To monitor the implementation of framework of CSR Policy.
- iv). To carry out any other function as mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

6. DEFINITIONS

In this Policy, unless the context otherwise requires:

- (i) **“Act”** shall mean the Companies Act, 2013 and the rules made there under, including any modifications, amendments or re-enactment thereof.
- (ii) **“Agency”** (or Agencies) means any Section 8 Company or a registered trust/ society/ NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/ society/ NGO/ institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/ companies.
- (iii) **“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.
- (iv) **“Board”** shall mean the Board of Directors of the Company.
- (v) **“Company”** shall mean Ocean Agro (India) Limited and wherever the context requires, shall signify the Company acting through its Board.
- (vi) **“CSR Annual Plan”** shall mean the annual plan detailing the CSR expenditure for the year.
- (vii) **“CSR Committee”** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors, out of which at least one director shall be an Independent Director.
- (viii) **“CSR Expenditure”** means all CSR Expenditure of the Company as approved by the Board upon recommendation of the CSR Committee, including the following:
 - (a) contribution to CSR Projects which shall be implemented and/or executed by the Company;
 - (b) contribution to CSR Projects (including for corpus as required) which shall be implemented and/ or executed by registered trust/ society/ NGO/ institution, performing social services for the benefit of the society and associated organizations.

(c) any other contributions covered under Schedule VII to the Act.

Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR Expenditure.

- (ix) **“CSR Officer”** shall mean the whole time person engaged by the Company for activities envisaged in the CSR Policy; having due comprehension, understanding, drive and passion for such activities and designated as such.
- (x) **“CSR Policy”** shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.
- (xi) **“CSR Projects”** or **“Projects”** means Corporate Social Responsibility projects/ activities/ programs/ initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company.
- Projects/ activities/ programs/ initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.
- (xii) **“Financial Year”** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- (xiii) **“Net profit”** shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.
- (xiv) **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any re-enactment, modifications or amendments thereof.
- (xv) **“Thrust Areas”** shall have the meaning as ascribed to them as per provision 7 of the Policy.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/ or Rules.

7. THRUST AREAS

While the Company is eligible to undertake any suitable/ rightful activity as specified in Schedule VII to the Act, however, at present, it proposes to undertake the relevant activities on priority basis in the following four Thrust Areas:

- (i) Primary Education
- (ii) Community Health
- (iii) Sustainable Livelihood Development
- (iv) Rural Infrastructure Development

8. CSR OBJECTIVES AND PROJECTS

The Company will carry out/ get implemented its CSR activities projects through registered trust/ society/ NGO/ institution, performing social services for the benefit of the society.

CSR Projects will be taken up in following core sectors covering influenced villages near business sites and some projects having state wide and nationwide coverage:

- (i) Primary Education: "Ignited Minds for a brighter future"**
 - (a) Establish and run our own schools
 - (b) Support to the Government Anganwadis and schools
 - (c) Joining hands with the Government through Public Private Partnership (PPP)

All efforts geared towards improving Quality of Education.

- (ii) Primary Health Care: "Ignited Minds for Healthy Life"**
 - (a) Rural Clinics
 - (b) Mobile Health Care Units
 - (c) Joining hands with the Government through Public Private Partnership (PPP)

(d) Innovative and need based projects such as Anaemia Prevention Program, Health Card to Senior Citizens, etc.

(e) Medical Education

All efforts will be geared towards Preventive and Primary Health Care.

(iii) Sustainable Livelihood Developments: “Ignited Minds for an Empowered Life”

(a) Support to Fisher Folk community for livelihood enhancement
Empowering Women for better Livelihood

(b) Improving Agriculture and Animal Husbandry

(c) Optimising Natural Resource Utilization in Rural areas and conservation of natural resources

(d) Encouraging Vocational Skill Development and Entrepreneurial Initiative especially among women, children, elderly and differently-abled

All efforts will be geared towards enhancing Socio-Economic Stature.

(iv) Rural Infrastructure Development: “Ignited Minds for better Living”

(a) Infrastructure related to Water conservation and Recharge Drinking Water availability

(b) Upgrading Infrastructure for Education

(c) Upgrading Infrastructure for primary Health and Hygiene Promotion
Community Utility Infrastructure

All projects will be geared towards enhancing Rural Civic Amenities.

(v) Rural Sports and Sports Training: “Ignited Minds for Disciplined Life”

(a) Training in promotion of Rural Sports

(b) Creating or upgrading rural sports grounds

- (c) Encouraging sports activities amongst rural youth

All projects will be geared towards promoting Rural Sports.

9. IDENTIFICATION OF CSR PROJECTS

- (i) CSR Projects need to be identified and planned for approval of the CSR Committee, in particular in Thrust Areas, with estimated expenditure and phase wise implementation schedules.
- (ii) The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- (iii) As a cardinal principle, the CSR Projects in Thrust Areas shall be identified on the basis of a detailed assessment survey.
- (iv) The CSR Officer may engage external professionals/ firms/ agencies if required for the purpose of identification of CSR Projects.

10. IMPLEMENTATION OF CSR PROJECTS

The Company may implement the identified CSR Projects through Agencies, subject to the condition that the activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act provided that:

- (i) the Agency has an established track record of at least three years in undertaking similar programs or projects, and
- (ii) the Company has specified the Project to be undertaken through the Agency which shall preferably be in Thrust Areas, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism which shall be at least once in three months.

11. MONITORING MECHANISM

There will be a review and monitoring committee comprised of Business Site Head, Head Operations, Volunteer Employee and representative of agencies which will meet every quarter. This committee will report to the board through CSR Committee of the business.

12. FUND ALLOCATION AND OTHERS

(i) Fund allocation:

- (a) The Company, in every Financial Year, shall endeavor to spend such feasible amount as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned CSR Expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years.
- (b) The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
 - Identified CSR Projects
 - CSR expenditure
 - Implementation Schedules
- (c) Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee
- (d) In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134 of the Act.

(ii) Others

- (a) The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects as per CSR objectives. However, there shall not be any preference given to any particular projects for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.
- (b) The Chairman and the Managing Director of the Company are authorized severally to decide on Projects to be implemented within the allocation as per the Annual Plan.

- (c) Any surplus arising out of the CSR Projects shall not form a part of the business profit of the Company.

13. DUTIES AND RESPONSIBILITIES

(i) Board of Directors

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules.

(ii) CSR Committee

- (a) The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet at least twice a year.
- (b) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- (c) The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting in April/May of the following year for Board review and finalization.
- (d) The CSR Committee shall place before the Board in April/May every year a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company for inclusion in the Board's Report.
- (e) The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan are displayed on the Company's website.

14. REVIEW PERIODICITY AND AMENDMENT

- (i) CSR Plan may be revised/ modified/ amended by the CSR Committee at such intervals as it may deem fit.
- (ii) The CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.