

RUCHI SOYA INDUSTRIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

(Approved by the Board of Directors of the Company at their meeting held on 17th January, 2020)



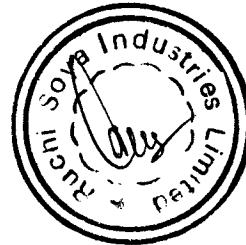
RUCHI SOYA INDUSTRIES LIMITED
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Effective Date:- January 17, 2020

Modifications:-

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1. Corporate Social Responsibility (CSR) – Philosophy:

Ruchi Soya Industries 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 is taking up various Corporate Social Responsibility (“**CSR**”) initiatives and enhanced value in the society.

The social and environmental responsibility has always been at the forefront of Company’s 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 Company enjoys with the communities it is engaged with. As a responsible corporate citizen, the Company 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. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders’ lives.

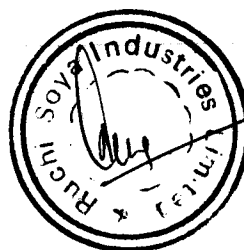
With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company has formulated a robust CSR Policy which encompasses its philosophy and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

2. Definitions:

In this Policy, unless the context otherwise requires:

1. “**Act**” shall mean the Companies Act, 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
2. “**Board**” shall mean the Board of Directors of the Company.
3. “**Company**” shall mean Ruchi Soya Industries Limited and wherever the context requires, shall signify the Company acting through its Board.
4. “**CSR Budget**” shall mean the total budget as approved by the Board of the Company upon the recommendation of CSR Committee, which is to be utilized for CSR activities.
5. “**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.
6. “**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.
7. “**CSR Rules**” shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any re-enactment, modifications or amendments thereof.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act read with rules made thereunder or any other cognate statute.



3. Constitution of CSR Committee:

Keeping in line with the provisions of section 135 of the Act and the rules made thereunder, the Board of Directors of the Company shall form a CSR Committee of the board consisting of 3 or more directors, out of which at least one director shall be an independent director, to carry out activities as mandated under the Act and CSR Rules, including but not limited to the following:

- a) 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 Act and CSR Rules;
- b) To recommend the amount of expenditure to be incurred on the CSR activities.
- c) To monitor the implementation of framework of CSR Policy.
- d) 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.

4. CSR Objectives and Projects:

- (i) The Company will carry out/ get implemented its CSR activities either directly or through the implementing agencies in accordance with the provisions of the Act and CSR Rules.
- (ii) The Company will undertake its CSR Activities in the areas given in Schedule VII to the Act.
- (iii) The Company shall give preference to the local area and areas around it where it operates, for undertaking/implementing/executing/collaborating for CSR Activities.
- (iv) The CSR Committee will be entitled to include other projects/ programs/ activities or any social development initiative as may be approved by the CSR Committee/Board which is in consonance with the Act read with Schedule VII.

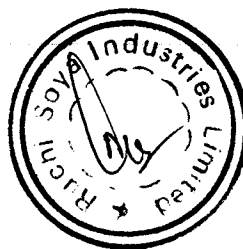
5. Identification of CSR Projects:

- (i) The CSR Committee shall recommend the activities for CSR along with estimated expenditure and phase wise implementation schedules.
- (ii) The CSR Committee or any other person authorized in this behalf may engage any professionals/firms/agencies, if so required, for the purpose of identification and/ or implementation of CSR projects.

6. Implementation of CSR Projects:

The Company shall implement the identified CSR projects by one or more of the following manners:

- a) The CSR projects will be implemented in a time-bound manner with clear objectives, plan, targets and robust monitoring and evaluation mechanisms.
- b) The CSR projects shall be undertaken in India only.
- c) The Company shall not undertake such activities which are in normal course of business as CSR activities.



- d) The Board of the Company may decide to undertake its CSR activities as recommended by the CSR Committee, through:-
- i. a company established under section 8 of the Act or a registered trust or a registered society, established by the Company, either singly or along with any other company, or
 - ii. 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:

However, if the Board of the Company decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society other than those specified in above paragraph (i) and (ii), then such section 8 company or trust or society shall have an established track record of three years in undertaking similar programs or projects and the Company shall specify the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

- e) The Company may use services of expert agencies, consultancy firms etc. wherever required for carrying out baseline surveys, guidance on project design and implementation, third-party monitoring and evaluations, impact assessment surveys etc.
- f) The Company may collaborate or pool resources with other Companies to undertake CSR Activities.

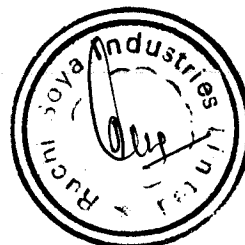
7. Monitoring Mechanism:

The Company shall institute a well-defined monitoring and evaluation mechanism to ensure that each CSR project has:

- i. Clear objectives developed out of the societal needs that are determined through baseline studies and research;
- ii. Clear targets, timelines and measureable parameters wherever possible;
- iii. A progress monitoring and reporting framework that is aligned with the requirements of the section 135 of the Act and the CSR Rules.
- iv. Internal Audit and review as well as regular capacity building at all levels of execution/implementing partners and monitoring/review committees will be done on regular basis.

In addition to the above reporting requirement, following regulatory disclosure also required to be made in compliance of the Act and CSR Rules.

- a) Composition of the CSR Committee shall be disclosed in the Board Report;
- b) The board report shall include an annual report on CSR activities in format prescribed under the CSR Rules;
- c) If the Company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount.



8. Fund allocation and others:

A. Fund allocation

1. The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediately three preceding financial years towards CSR activities;
2. The CSR Committee shall prepare a CSR Budget which may include:
 - a. Identified CSR Projects;
 - b. CSR expenditure;
 - c. Implementation Schedules.
3. Total expenditure in the CSR Budget shall be approved by the Board upon recommendation of the CSR Committee.
4. Subject to the provisions of the Act and CSR Rules, any amount remaining unspent on CSR shall be appropriated in such manner as may be decided by the CSR Committee and the Board.
5. Any surplus arising out of the CSR Projects shall not form a part of the business profit of the Company.

9. Duties and responsibilities:

A. Board of Directors

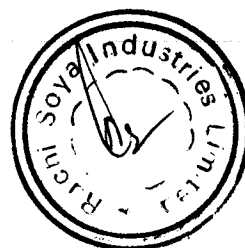
The Board of Directors of the Company will be responsible for:

- i. Ensuring that projects mentioned in this Policy are undertaken by the Company;
- ii. Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during three immediately preceding financial years in pursuance of the CSR Policy;
- iii. Ensuring that board specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.
- iv. The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to CSR Rules.

B. CSR Committee

The CSR Committee shall:

- i. Formulate and recommend the CSR Policy to the Board for approval. The CSR Committee shall indicate the projects to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Act.
- ii. Monitor the Policy from time to time and recommend required changes to the Board.
- iii. Recommend the amount of expenditure to be incurred on CSR projects.
- iv. Institute a transparent monitoring mechanism for ensuring implementation of the social projects undertaken by the Company.



10. Review Periodicity

The CSR Policy may be revised/ modified/ amended on the recommendation of the CSR Committee and with the approval of the Board. The Company shall upload this Policy on its website and a web link of the same will be provided in the annual report on CSR to be annexed with the Board's report of the Company.

11. Interpretation

Any ambiguities, interpretative issues, difficulties will be resolved by the Board of Directors of the Company in line with the broad intent of this CSR Policy read with the applicable provisions of the Act and CSR Rules.

12. Amendment

In the event of any conflict between the provisions of this Policy and the Act or the CSR Rules or any other statutory enactments or rules, the provisions of the Act or CSR Rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force. Any subsequent amendment/ modification in the Regulations shall automatically apply to this Policy.

