

CORPORATE SOCIAL RESPONSIBILITY POLICY  
ARORA AROMATICS PRIVATE LIMITED

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# Giving Back To Society As A Corporate Citizen, To Enhance Value

## 1. Background

Corporate Social Responsibility is not a new concept in India, however, the Ministry of Corporate Affairs, Government of India has recently notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility. As mentioned by United Nations Industrial Development Organization (UNIDO), CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("TripleBottom-Line- Approach"), while at the same time addressing the expectations of shareholders and stakeholders.

It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures their long-term success, competitiveness, and sustainability.

This approach also reaffirms the view that businesses are an integral part of society, and have a critical and active role to play in the sustenance and improvement of healthy ecosystems, in fostering social inclusiveness and equity, and in upholding the essentials of ethical practices and good governance.

Arora Aromatics Private Limited ('AAPL' or 'the Company') is an adopter of Corporate Social Responsibility (CSR) in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014. Therefore The Board of Directors has constituted the CSR Committee in its meeting held on 09.04.2018

## 2. Objectives

AAPL CSR policy intents to:

- Develop the society and community that impact positive change in the life of general public.
- Fulfill the CSR obligation and encourage a positive impact through the activities enlisted under the company act and its rules thereunder.
- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects
- To generate goodwill and recognition among all stakeholders of the company.

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act

### 3. Composition of CSR Committee

The Company has constituted Corporate Social Responsibility Committee ("the Committee") comprising of following three Directors:

1. Arvind Kumar Arora-Chairman
2. Suresh Chand Arora-Member
3. Surender Arora-Member

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India.

The Committee shall exercise powers and functions as assigned by the Board of Directors of the Company in pursuant to section 135 of the Companies Act, 2013 and CSR Rules thereto.

### 4. Responsibility of the Committee

The Responsibilities of CSR committee include:

- Formulating and recommending to the Board of Directors a Corporate Responsibility Policy and indicating activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities and

- Monitoring CSR policy from time to time

## 5. Undertaking CSR activities/projects:

AAPL will undertake its CSR activities out of approved CSR activities or the activities approved by the CSR Committee through the Arora Foundation or such other entity/organization as approved by the committee.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of company.

Pursuant to Schedule VII of the Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertake under the CSR policy of the Company. The Board of Directors has reviewed the said activities and express its consent to the Committee to pursue the said activities under CSR policy of the Company under section 135 of the Companies Act, 2014, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time totime.

### Approved CSR Activities:

- Promoting preventive healthcare and sanitation to thepublic;
- Promoting education, including primary, secondary and higher secondary education, as well as special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancementprojects;

- Projects, Activities, Programmes relating to conservation of natural resources including renewable energysources;
- Projects, Activities, Programmes relating to water conservation and maintaining quality of soil, air, andwater;
- Promoting Gender equality and empowerment ofwomen
- Community Health- Innovation projects to meet local needs. Reaching out with basic health care to all (bridging thegap).
- Sustainable livelihood Projects – Holding hands of all marginalized group to improve livelihood opportunity, thus improving their quality oflife.

Rural Infrastructure Development- Need based quality infrastructure to improve quality oflife

## 6. Selection, Implementation & Monitoring:

The Committee shall select and finalize the process of implementation of project/programme, including planning for expenses against the total budget allocated for CSR activities. The committee may constitute an implementation team or authorised any of the Department of the Company to organize for the implementation of the CSR activity. The team or respective departments shall monitor the implementation process from time to time, on behalf of the CSR committee and place

a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

## 7. Unspent Amount of CSR

The committee with in consultant with Board of the company shall ensure that the unspent amount of CSR has been deposited in the scheduled bank to be called the Unspent Corporate Social Responsibility Account as per the provision of the act and rules thereunder.

## 8. Monitoring by the Board:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

## 9. Amendments to the policy:

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time.