

AGS Retails (India) Limited

Corporate Social Responsibility Policy

(Last Amended on 26th September 2025)

E-mail: companysecretary@cosmobazaar.com

Website: www.cosmobazaar.com

Contents

Introduction	3
Vision	3
Objectives.....	3
Legal aspects	4
Validity & Review	5
Budget	5
Treatment of Surplus.....	6
Areas	7
Governance Framework	9
Annual Action Plan.....	11
Planning & Implementation	12
Monitoring & Reporting	13
Impact Assessment.....	13

Applicability

This Policy is applicable to “AGS Retails (India) Limited referred to as **“Company”** for the purposes of this document.

Introduction

Corporate Social Responsibility Policy (hereby referred to as ‘The CSR Policy’) has been developed in accordance with “**Section 135 of the Companies Act 2013**” and the Companies (Corporate Social Responsibility) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereby collectively referred to as the ‘**Act**’ in this CSR Policy document) notified by the Ministry of Corporate Affairs, Government of India.

Vision

The Company is committed to improving the lives of the communities in which it operates in a sustainable way. It aspires to be a responsible Corporate Citizen, by contributing to nation building through CSR Projects / Programs, in true letter and spirit.

The CSR Vision of the Company is to build relationships of trust with local communities, society and stakeholders as good corporate citizens and to contribute to developing a sustainable society for future generations.

Objectives

The following are the objectives of the Policy:

- To comply with the statutory and regulatory requirements pertaining to CSR;
- To define what CSR means to the Company and the approach for the same;

- To lay down the guidelines & mechanism to carry out CSR program/project & to report the work in reporting format as prescribed by the Rules in the Act;
- To constitute review mechanism of monitoring the progress of CSR projects/ programs and implementation of CSR policy by CSR Committee;
- To ensure that the surplus arising of CSR projects/ programs/ activities shall not form part of the business profit of the Company.

Legal Aspects

Pursuant to "Section 135 of the Companies Act, 2013" each Company which falls under any of the following criteria shall adopt a Corporate Social Responsibility (CSR) program, and shall endeavor to spend minimum 2% of its average net profits during 3 immediately preceding financial years on CSR activities as prescribed in Schedule VII of the Companies Act, 2013:

-Net Worth of Rs. 500 crores or more or

-Turnover of Rs. 1000 crores or more or

- Net Profit of Rs. 5 crores or more.

However, the Companies which do not fall under any of the threshold mentioned above may also pursue CSR programmes and initiatives depending on business needs which may or may not be aligned to the activities as mentioned in the Schedule VII of the Companies Act 2013.

Validity & Review

The CSR Policy shall apply to all CSR Projects/ Programs undertaken by the Company. The Board shall review the CSR Policy once in a year and may amend the same as per the requirement of the Company. The Board may review and make changes to the Policy at any other intervals in case of any change in the Act.

Budget

The CSR Budget will be allocated as per the provisions of the Act i.e. at least two per cent (**2%**) of the Average Net Profit calculated as per Section 198 of the Act read with the Companies (Corporate Social Responsibility) Rules thereof ('average net profit') accrued during the three immediately preceding Financial Years.

The Board of the Company will endeavor to spend in each Financial Year, at least two percent of the Average Net Profit on CSR Projects / Programs as prescribed in the Act.

CSR Projects / Programs will be identified and budgets will be allocated through a process incorporating identification of suitable implementing agencies, need assessment (where required) and clear outlining of desired outcomes.

In the event that the amount indicated above is not spent in its entirety in that Financial Year, the reasons thereof will be outlined as per Section 134(3)(o) of the Act and also adopt any one as mentioned below:

A) IN CASE THE PROJECT IS NOT AN 'ON – GOING' PROJECT

Transfer such unspent amount to the below mentioned Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- Prime minister's national relief fund,
- Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund and
- Clean Ganga Fund & Others as specified in Schedule VII.

B) IN CASE THE PROJECT IS OR IS TO BE CONSIDERED AS ON – GOING PROJECT'

- Pass a Board Resolution to approve the project as 'on-going' if it has not been already identified as an ongoing project;
- Open an 'Unspent CSR bank account' and transfer the amount which is unspent/ unutilized on the approved CSR project within a period of 30 days from the end of the Financial Year;
- Ensure completion of the project within 3 years from the date of such transfer to the 'unspent CSR bank account' of the Company.

In implementing its CSR Projects/Programs the Company/ies should choose to partner with a registered trust, society or a Section 8 Company that fulfil all requirements of Section 135 of Companies Act, 2013. The Company/ies may collaborate or pool resources with other entities within the Group to undertake CSR Projects/Programs. The Group may also enter into partnerships with the government, business partners and communities to achieve a significant impact of the social projects.

Treatment of Surplus

In the event that the Company makes any surplus or profit from pursuing its CSR Projects / Programs, these will not form part of the business profit and will be invested back into CSR Projects or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the Financial Year.

Any amount spent in excess of requirement provided under the Companies Act, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years subject to the conditions that –

- I. The excess amount available for set off shall not include the surplus arising out of the CSR activities,
- II. The Board of the Company shall pass a resolution to that effect.

Areas

The Company shall undertake CSR Projects / Programs that are aligned with areas listed in Schedule VII of the Act, within the geographical limits of India, for the benefit of marginalized, disadvantaged and underserved sections of the community and the environment.

The detailed list of **CSR** Projects should be within the scope of the following activities:

- 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 centers and such other facilities for senior citizens, measures for reducing inequalities faced by socially and economically backward groups;

- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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 arts 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 recognized 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix. 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

- x. 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);
- xi. Rural development projects;
- xii. Slum area development;
- xiii. disaster management, including relief, rehabilitation and reconstruction activities.
- xiv. Such other activities as may be specified under the Act or CSR Rules from time to time.

Governance Framework

The Governance Structure for CSR Projects / Programs undertaken by the Company shall be as represented below:

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

- Setting up the CSR Committee as per the Act;
- Approving the CSR Policy and list of activities as formulated by the CSR Committee;
- Ensuring that in each Financial Year the Company spends at least 2% of the average net profit made during the three immediately preceding financial years;
- Ensuring that every Financial Year, funds committed by the Company for CSR Projects / Programs are utilized effectively, and regularly monitoring implementation;
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR Projects / Programs on the Company website; if any
- Ensuring annual reporting of CSR Policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format, if required
- Reviewing and amending the Annual Action Plan, during the course of the Financial Year based on reasonable justification to that effect;

CSR Committee -The CSR Committee consist of 3 Board Members. The Company has constituted the CSR Committee with the following members.

- Mr. Anil Kumar Agarwal -**Chairman**
- Mr. Aman Raj Banka -**Executive Director**
- Mr. Sanjeev Kumar Agarwal -**Non-Executive Independent Director**

It shall meet at least once in Year. The Meeting shall be held either at the registered office of the Company or any other place, as may be decided by the committee members. Further, Physical presence of a minimum of two members of the Committee shall constitute the quorum.

The CSR Committee will be responsible for:

- Formulating the CSR Policy in compliance with the Act;
- Identifying Projects / Programs to be undertaken as per Schedule VII of the Act;
- Recommending to the Board the CSR expenditure to be incurred;
- Regularly monitoring the implementation of the CSR Policy;
- Identifying and engaging with partners such as NGOs, business partners etc. for effective implementation of the CSR Policy;
- Constituting a transparent monitoring mechanism to ensure implementation of the CSR Projects / Programs undertaken by the Company;
- Reporting to the Board on the progress of the various CSR Projects / Programs and spends on a regular basis; and
- Recommending to the Board, modifications to the CSR Policy as and when required.

Annual Action Plan

The CSR Committee may submit an Annual Action Plan to the Board detailing the list of CSR Activities planned for that Financial Year, along with the proposed implementation schedules, monitoring mechanism and if impact assessment is required to be undertaken in case of applicable projects. The CSR Committee will monitor the implementation of the CSR projects and recommend changes to the action plan during the year if so required and recommend such amended plan to the Board, along with sufficient justification for such changes.

The CSR Committee will submit an Action Plan to the Board of the Company. The plan encompasses the following components;

- List of CSR Activities to be undertaken in the relevant financial year;
- Local area where the CSR Activities are to be undertaken;
- Manner of execution;
- Modalities of utilisation of funds;
- Implementation Schedule;
- Monitoring and reporting mechanism; and
- Details of need and impact assessment, if any

Planning & Implementation

The Company CSR Projects / Programs will, to the extent possible, include components such as:

- Clearly defined objectives developed out of existing societal needs or determined through baselines / studies / research, where considered necessary /feasible
- Identified sectors, geographies and target group / beneficiaries
- Milestones / Targets and timelines
- Specification of annual financial allocation
- Robust monitoring system
- Reporting framework and system

The mode of implementation of CSR Programs will include a combination of direct implementation and through Implementing Agencies. The Company will select its Implementing Agencies after appropriate due diligence in accordance with applicable laws.

The Company may use services of expert agencies, consultancy firms, international agencies as defined under the CSR Rules 2021, etc. wherever required for carrying out surveys, guidance on project design and implementation, impact assessment surveys, etc.

Monitoring and Reporting

A comprehensive monitoring framework shall be devised by the Company to ensure that all Projects / Programs are duly implemented as per the CSR Policy. The Company CSR Committee shall monitor the approved projects. The monitoring and reporting mechanism will include program review, evaluation, documentation and reporting.

Impact Assessment

Mandatory Impact Assessment will be undertaken as per the criteria specified under applicable law, and that the impact assessment reports will be placed before the Board of the Company and disclosed as per the Act and CSR Rules.