



SITA SHREE
FOOD PRODUCTS LTD.

CORPORATE SOCIAL RESPONSIBILITY POLICY

I. PREFACE:

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of Sita Shree Food Products Limited (“the Company”) was constituted by the Board of Directors of the Company.

The composition of the said Committee comprises of three directors viz., Mr. Omkar Prasad Tiwari, Independent Director of the Company (Chairman) along with Mr. Ashish Goyal, Managing Director and Mr. Anoop Goyal, Whole-time Director of the Company as the Members of the committee.

II. OBJECTIVE:

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

III. CSR VISION:

1. Develop meaningful and effective strategies for engaging with all stakeholders;
2. Consult with local communities to identify effective and culturally appropriate development goals;
3. Partner with credible organizations like trusts, foundation etc. including non-governmental organizations;
4. Check and prevent pollution, recycle, manage and reduce waste, manage natural resources in a sustainable manner;
5. Ensure efficient use of energy and environment friendly technologies.

IV. SCOPE:

This Policy shall apply to all CSR projects/programmes/activities undertaken by the Company in India as per Schedule VII of the Act.

V. DEFINITIONS:

1. **Corporate Social Responsibility (CSR)** means and includes but is not limited to Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
2. **CSR Committee** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
3. **CSR Policy** relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
4. **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
 - (i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and

(ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

VI. ROLE OF THE CSR COMMITTEE:

- ✚ Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- ✚ Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- ✚ Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- ✚ Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- ✚ Monitor the implementation of the CSR Policy from time to time.
- ✚ Such other functions as the Board may deem fit.

VII. ROLE OF THE BOARD:

- ✚ After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company
- ✚ Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- ✚ The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;
- ✚ Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates,
- ✚ As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

VIII. CSR ACTIVITIES FOR IMPLEMENTATION:

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

IX. CSR MONITORING AND REPORTING FRAMEWORK:

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets alongwith the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

X. CSR EXPENDITURE:

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

XI. DISCLOSURE OF THE POLICY:

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

XII. CSR REPORTING:

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

XIII. FREQUENCY OF MEETINGS:

The meetings of the Committee could be held at such periodic intervals as may be required.

XIV. QUORUM:

Minimum two (2) members shall constitute a quorum for the Committee meeting.

Provided that in case if, Regulations framed under any other law may contain provisions for the Quorum of Committee then such stipulations shall be followed.

XV. CHAIRMAN:

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

XVI. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

XVII. MINUTES OF THE COMMITTEE MEETING:

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

XVIII. MISCELLEANOUS:

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.
