

# **SHIVSHAKTI AGRO (INDIA) LIMITED**

## CORPORATE SOCIAL RESPONSIBILITY POLICY

**2014**

**Documentation Validation Note**

Shivshakti Agro (India) Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Industrial Area, Harpur Alloth, Dist: Samastipur, Bihar has formulated and adopted the Corporate Social Responsibility Policy Version 1.0 in terms of section 135 of the Companies Act, 2013 (Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).

Section 135 of the Act, requires the Company to constitute a Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding 3 financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 (as amended from time to time) and confirm compliance thereof in the Annual Report.

Accordingly, on the recommendation of the CSR Committee, this policy was reviewed and approved by the Board of Directors of the Company at its meeting held on 16.01.2015 and deemed to have come into effect from **April 1, 2014**. The review can be done as and when deemed necessary.

**Version  
Details**

Sl. no.	Details of the Document/ Changes	Date of Creation/Change	Author	Version Number	Approved By
1.	Original Document	13.12.2014	Corporate Social Responsibility Committee in their meeting held on 13.12.2014	Ver. 1.0	Board of Director's Meeting held on 16.01.2015

### **Preamble**

The Corporate Social Responsibility (CSR) Policy of Shivshakti Agro (India) Limited is inspired by the statement, “The best, a human can get.”

### **CSR Philosophy**

CSR at Shivshakti is our sense of responsibility towards the community and environment in which it operates. The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value by improving lives.

### **CSR Vision**

1. Develop meaningful and effective strategies for engaging with all the stakeholders.
2. Consult with local communities to identify effective and culturally appropriate development goals.
3. Partner with credible organizations like trusts, foundations etc. including non-government organizations.
4. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, promoting sanitation and making available safe drinking water.
5. Engagement in & promotion of livelihood enhancement projects including education, vocational & other training, construction and setting up day care centers, old age homes, rehabilitation homes, toilets for the needy .
6. Empowering women, promoting gender equality and take measures for reducing inequalities faced by socially and economically backward groups
7. Contribution to any fund set up by the Central Government for the objects mentioned above including contribution to Prime Minister’s National Relief Fund.

### **Constitution of CSR Committee**

Keeping in lines with Section 135 of the Companies Act, 2013 (hereinafter referred to as the Act), the Board of Directors of the Company in its meeting dated 05.12.2014, have formed a Corporate Social Responsibility (CSR) Committee constituting of a minimum of 3 Directors including at least 1 Independent Director, as given hereunder:

1. Smt. Pragati Sureka, Chairperson
2. Shri Jyoti Sureka, Member (Whole Time Director)
3. Shri Krishna Kr Agrawal, Member (Independent Director)

The CSR committee will, inter alia, carry out the following functions:

- a. To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken as specified in prescribed schedule.
- b. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.
- c. To monitor the CSR Policy from time to time.

**CSR Projects, Programs & Activities**

In accordance with the CSR Vision of the Company and the specified activities under the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendment(s) thereof, the CSR activities of the Company shall have the following thrust areas:

Sr.no.	Projects to be Undertaken <sup>1</sup>	Execution Modalities	Implementation Schedule
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, promoting sanitation and making available safe drinking water	Organising health camps, preventive health check up camps, knowledge camps, installation of tube wells, water coolers, tanks etc. at different locations for the underprivileged and needy.	To identify and engage in one or more projects from time to time during each financial year beginning 2014-15 as recommended by the CSR Committee.
2	Engagement in & promotion of livelihood enhancement projects including education, vocational & other training, construction and setting up care centers, old age homes, rehabilitation homes, toilets for the needy .	Contribution in setting up and construction of rehabilitation homes & other projects including toilets and organizing necessary training for livelihood enhancement of the needy.	There shall be no minimum project wise cap on the total amount to be spent by the Company during a financial year. The CSR Committee shall be free to spend the total minimum amount as prescribed under the Act in each financial year in one or more specified projects* in this CSR Policy.
3	Empowering women, promoting gender equality and take measures for reducing inequalities faced by socially and economically backward groups	Contributing to provide relief, aid, training for women, orphans and needy	

<sup>1</sup> Projects shall be undertaken by the Company preferably for the beneficiaries targeted in the State of Bihar and West Bengal.

\*If the Company is unable to identify a suitable project as aforesaid, the Company may choose to contribute to any fund set up by the Central Government for the projects mentioned above including contribution to Prime Minister's National Relief Fund.

However, in case the Company fails to spend the 2% of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report.

### **Capacity Building**

The Company shall build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent as well as how to effectively manage other organizations through which or in collaboration with which the Company undertakes/may undertake its CSR activities. CSR expenditure like salaries of personnel who are engaged in CSR activities and expenses incurred on their training etc. can be spent on capacity building of the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects.

However, the amount spent on this cannot make up more than 5% of the overall CSR spend every financial year and the organization providing the capacity building training where engaged, must have a track record of more than 3 years in implementing such training.

### **CSR through Registered Trust, Society, Otherwise**

The Board of Company may decide to undertake its CSR activities on its own or through a registered trust or a registered society or a section 8 company whether established by the Company or not or otherwise in accordance with the provisions of the Act read with CSR Rules.

The Company may, if required, collaborate with other companies and pool resources to carry out its CSR Activities from time to time.

### **Monitoring & Review Mechanism**

As aforesaid, the monitoring of the CSR policy, its projects and activities undertaken shall be under the overall superintendence and guidance of the CSR Committee of the Company.

The CSR Committee shall suitably identify CSR Projects in terms of the approved CSR Policy. It shall prepare budget and approve spending on projects before actually spending the same. The personnel of the Company entrusted with CSR work shall provide regular progress report to the CSR Committee of the Board. This report would indicate:

1. Achievement since last progress report in terms of coverage compared to the target and reasons for variance.
2. Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.

3. In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

Apart from the above, the CSR Committee shall organize periodic field visit to check the progress and implementation of CSR activities being carried out by the Company.

The Board shall also seek a short progress report from the CSR Committee on a quarterly basis which shall include the amount spent on CSR during the financial year in the format provided below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subhead (1)Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency or through any trust giving details of the same

**Dissemination of Information**

The Company shall disclose the contents of its CSR Policy and other prescribed details in its Board's Report and on its website in the manner specified in the provisions of the Act.

The CSR Committee shall, on an annual basis, also issue a responsibility statement on the implementation and monitoring of CSR Policy mentioning that the same is in compliance with CSR objectives and Policy of the Company. The same shall be part of the annual report on CSR activities of the Company and shall also be included in the Board's Report of the Company in the manner specified under the Act & CSR Rules.

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