



Sagar Nutriments Pvt. Ltd.  
(Rice Milling Division of SAGAR GROUP)



# **SAGAR NUTRIMENTS PRIVATE LIMITED**

## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY**



Sagar Nutriments Pvt. Ltd.  
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## VERSION HISTORY

| <u>S.NO</u> | <u>VERSION NO.</u> | <u>DATE</u>       | <u>VERSION DETAILS</u> |  |
|-------------|--------------------|-------------------|------------------------|--|
| <u>1</u>    | <u>1.0</u>         | <u>10.10.2022</u> | Initial Draft          |  |
|             |                    |                   |                        |  |
|             |                    |                   |                        |  |
|             |                    |                   |                        |  |



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## **1. PREAMBLE**

The Sagar Nutriments Private Limited (hereby referred to as 'The Company') CSR initiatives are inspired by the opportunity to contribute to a more secure and sustainable future. The Company is committed to make substantial improvements in the social framework of the nearby community. Looking at the social problems which the country faces today, the contribution by any corporate may look tiny. However, we believe that every such contribution shall bring a big change in our society.

The Sagar Nutriments Private Limited ,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 ,Companies (Corporate Social Responsibility Policy) Rules, 2014 and various modification and amendment held by the way of notification and circulars issued by the Ministry of Corporate Affairs, Government of India. Subsequently, to conform to the notifications issued by MCA over a period of time, the Board adopted Initial CSR Policies, as recommended by its CSR Committee.

## **2.ADOPTABILITY AND EFFECTIVE DATE**

This policy is effective from 10<sup>th</sup> October, 2022

A "CSR Policy" of the Company was adopted by the Board of Directors at their meeting held on Oct 07<sup>th</sup> , 2022.

## **3.DEFINITION OF CSR:**

- a. **"Act"** means the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
- b. **"Corporate Social Responsibility CSR"** means and include but not limited to
  - (1) Project or programs relating to activities specified in schedule VII to the Act :or
  - (2) Project or programs relating to activities undertaken by the board of directors of a company(Board) in pursuance of recommendation of CSR Committee of the Board as per declared CSR Policy of the company subject to the condition that such policy will cover subject enumerated in schedule VII of the act

**b. "Administrative Overheads"** means the expenses incurred by the Company for 'general management and administration' of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.

**c. "Approved Budget"** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.

**d. "Board"** means the Board of Directors of the Company.

**e. "Company"** shall mean "The Sagar Nutriments Private Limited" and wherever the context requires, shall signify the Company acting through its Board.



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**f. “CSR Annual Plan”** shall mean the annual plan detailing the CSR expenditure for the year.

**g. “CSR Committee”** shall mean the Corporate Social Responsibility Committee constituted of the Board referred to in section 135 of the Act.

**h. “CSR Expenditure”** means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, including the following:

- (i) Contribution to CSR Projects which shall be implemented and/or executed by the Company;
- (ii) Contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by Everest Foods Charitable Trust;
- (iii) Any other contributions covered under Schedule VII of the Act.

**i. “CSR Activities”** means projects/programs/initiatives, instituted in India, either new or on-going, to be undertaken by Company in India, pursuant to Section 135 of the Companies Act 2013 along with CSR Rules or such other provisions as may be applicable from time to time as may be amended.

**j. “CSR Policy”** relates to the activities to be undertaken by the company as specified in schedule VII to the act and the expenditure Thereon ,Excluding activities undertaken in pursuance of normal course of the Business of the company .

**k. “Financial Year”** shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.

**l. “Net Profit”** means Net profit as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following , namely :

- Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
- 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 statement were prepared in accordance with the provision of the companies act 1956 (1 of 1956) shall not be required to be re-calculated in accordance with the provision of the act:

Provided further that in case of a foreign company covered under these rules ,net profit means the net profit of such company as per profit and loss prepared in terms of clause (a) of sub-section (1) of section 381 read with section 198 of the act.

**m. “Ongoing Project”** means a multi-year project that a Company undertakes to fulfill its CSR obligation within three years, excluding the financial year it was commenced, and shall include projects that were initially not approved as multi-year projects but whose duration is extended beyond one year by the Board based on reasonable justification.



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n. **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

o. **“Thrust Areas”** shall have the meaning as ascribed to them as per provision **“Point 6”** of the Policy.

p. **“Trust”** means a Trust created and registered under the India Trusts Act, 1882 by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group Companies.

The documents explain our organization’s policy on its Corporate Social Responsibility duties and expectations.

#### **4. PHILOSOPHY:**

Sagar Nutriments Private Limited (hereinafter referred as “SNPL”) is committed to its stakeholders – government, investors, shareholders, associates, community, environment, employees and their families – to conduct its business in a responsible manner that creates a sustained positive impact. The policy is expected to serve the following purpose:-

1. To make significant addition for the up liftment of society so that the social community can be amplified.
2. To promote education & empower women.
3. To uphold the values of good citizenship, through our own behavior, and by influencing other organizations to behave in a similar way & make a splendid remark in front of the society.
4. To promote good CSR and citizenship practices among our members, officers, associates and partner organizations; providing training and education where appropriate.
5. To oppose unethical business practices and exert pressure to ensure accountability of businesses, for their behaviors.
6. Build active and long term partnerships with the communities in which we operate to significantly improve social condition of the needy people.

#### **5. SCOPE & APPLICABILITY:**

Sagar Nutriments Private Limited is committed to maintaining the highest standards of corporate social responsibility in its business activities. We aspire to high standards of practice through a process of continual improvement and the adoption of international codes and standards where practicable. To meet this commitment we will implement management systems in our operations that accord with the requirements of our corporate social responsibility standards and strive to:

- Comply with all applicable laws, regulations and other employment standards, wherever we operate.
- Consult with and respond to the concerns of our stakeholders.



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- Behave with honesty and integrity in all our activities and relationships with others and reject bribery and corruption in all its forms.

## **6.COMPOSITION OF CSR COMMITTEE**

The CSR Committee of SNPL shall institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company.

To effectively coordinate, communicate and oversee the Group CSR activities, a CSR Committee is being constituted, comprising the following members as are under :-

- Mr. Sudhir Kumar Agrawal- Chairman
- Mr. Siddharth Agrawal- Member
- Mr. Sagar Agrawal – Member
- Mr.Kshitiz Mittal – Member

SMPL CSR Committee will help in identifying projects and recommend priorities and approaches, support individual business units to build CSR into their planning process to achieve SMPL CSR objectives.

## **7.RESPONSIBILITIES OF THE COMMITTEE**

The responsibilities of the SMPL Committee include:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities, and
- Monitoring CSR activities from time to time.
- The implementation of the CSR policy and execution of projects, programmes and activities undertaken by the Company shall be carried out under the overall superintendence, control and guidance of the CSR Committee

## **8.CSR POLICY**

- (a) We envisage three pillars of CSR – economic, social and environmental, which will underpin our CSR policy and practice.
- (b) Our CSR practice will be bench-marked against legal compliance in terms of Employment Rights, Equal Opportunities, Health and Safety, and Environmental Protection such as apply to commercial and public sector organizations, but we fully intend to rise well above this minimum standard.
- (c) We believe that an organization with sound ethical and accountable practices has a competitive advantage in the modern marketplace, and so investment in the development and implementation of effective CSR practices is cost effective, and legitimate in terms of an organization’s development.”



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## **9.CSR ACTIVITIES**

SMPL CSR activities shall be undertaken by the Company either itself or through a registered trust, society, Non-Government Organization engaged in the activities as proposed in the CSR Policy. SMPL will contribute/support financially or otherwise, to the initiatives / activities / programmes undertaken by the Organization/institutions. The CSR activities covered the following area as per schedule VII of the Act:-

1. Eradicating Hunger and Poverty;
2. Promoting preventive health care and sanitation;
3. Promoting educations including special educations and employment enhancing vocation skills especially among children, elderly women;
4. Empowering women, Promoting gender equalities, reducing inequalities faced by socially and economically backward groups;
5. Ensuring environmental sustainability, conservation of natural resources, ecological balances by promoting & distributing eco-friendly and energy efficient products;
6. Protection of national heritage, art and culture, promotion and development of traditional arts and handicrafts;
7. Training to promote rural sports;
8. Rural development projects;
9. Contribution to the prime Minister's National relief fund or any other fund set up by central Government for Socio-economic development and welfare of scheduled castes, scheduled tribes , other backward classes, minorities and women,

Provided that:

- 1) Contribution of any amount directly or indirectly to any political party shall not be considered as CSR activity;
- 2) CSR activities do not include the activities undertaken in pursuance of normal course of business of a company;
- 3) Any surplus arising out of CSR activities shall not form part of the business profit of the Company.
- 4) CSR activities/projects/programs that benefit only the employees of the Company and their families shall not be considered as CSR activities.





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### **Working procedure of Corporate Social Responsibility Committee:**

In accordance with section 135 of the Companies Act, 2013, applicable rules thereto and applicable Secretarial Standards, the following working procedure is adopted by the Corporate Social Responsibility Committee:

1. **CONSTITUTION**

The Board shall constitute the Corporate Social Responsibility Committee.

2. **CHAIRMAN**

Mr. Sudhir Kumar Agrawal shall be the Chairperson of the Committee.

3. **QUORUM**

Two directors personally present or through videoconferencing shall be the quorum for the meeting.

4. **FREQUENCY**

The Committee shall meet as and when required.

### **10. TRANSPARENT MONITORING MECHANISM**

The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes /activities proposed to be undertaken by the Company.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee or external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

#### **Monitoring**

- The implementation of the CSR policy and execution of projects, programmes and activities undertaken by the Company shall be carried out under the overall superintendence, control and guidance of the CSR Committee
- Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by CSR Partner(s) and expenditures will be undertaken on a regular basis and same will be available to the Board of Directors of the Company.
- CSR Committee shall closely monitor such activities and may also further constitute internal monitoring groups and/or sub-committees for different projects, programmes and activities, as may be required from time to time
- The minutes of the meetings of the CSR Committee shall be placed before the Board of Directors for their information. The Board of Directors shall have the power to make amendments, suggest new measures and/or otherwise amend the powers of the CSR Committee from time to time.
- Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.
- The CSR Committee and persons /entities authorized by it, will conduct due diligence checks on the current projects/partners on a quarterly basis and report anomalies, if any, immediately.



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- Based on analysis of projects, the CSR Committee will carry out roadmap planning for allocation of budget and selection of projects. The same will be done at least once in a financial year.

### **11.CSR EXPENDITURE**

The Company shall spend in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years on CSR projects in accordance with the policy.

Surplus arising, if any, out of the CSR projects, programmes or activities shall not form a part of the business profits of the Company and will be ploughed back into the CSR activities.

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan.

Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project 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..

### **12.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. The contents of the CSR policy as amended from time to time shall be disclosed in the Board's Report

### **CONTACT**

For queries related to CSR Policy, please write to us at:

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