

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

INTRODUCTION

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of Uttam Sucroteh International Private Limited ("the Company") was constituted by the Board of Directors of the Company at their meeting held on 16th July, 2019.

The composition of the said Committee comprises of two directors., Mr. Sanjiv Gulati and Mr. Anil Datta.

CSR OBJECTIVES

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

SCOPE

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

RESPONSIBILITIES OF THE CSR COMMITTEE

The responsibilities of the CSR Committee include:

1. Formulating and recommending to the Board of Directors the CSR Policy and indicating the activities to be undertaken by the Company, as specified in Schedule VII of the Act
2. Recommending and reviewing the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
4. Monitoring the implementation of CSR Policy from time to time;
5. Undertaking any other matter as it may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

ROLE OF THE BOARD

1. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
2. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.

3. 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 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;
4. 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.
5. As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

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.

Such activities shall be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR activities are creating the desired impact, the Committee shall formulate a comprehensive monitoring and reporting framework.

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

The respective CSR will present their annual budgets along with 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.

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.

Appropriate documentation and amendments of the CSR Policy, annual CSR activities and expenditures will be undertaken on a regular basis.

CSR EXPENDITURE

The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of the average Net Profits of the Company made during the three immediately preceding financial years for the 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. However, in the absence of Net Profits in any financial year, the Company may spend such feasible amount as decided and approved.

Surplus arising out of the CSR initiatives shall not form part of the business profits of the Company.

Moreover, any surplus arising from any CSR Programs shall be used for CSR. Accordingly, any income arising from CSR Programs will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

However if the Company ceases to be covered under sub-section (1) of Section 135 of the Act for three financial years, then it shall not be required to, comply with the provisions laid down under sub-section (2) to (5) of the said section, till such time it meets the criteria specified in sub-section (1) of the Act.

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.

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.

FREQUENCY OF MEETINGS

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

QUORUM

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

CHAIRMAN

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

MINUTES OF THE COMMITTEE MEETING

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

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.