

## CSR POLICY

### Introduction

At the outset, CSR activities at Itarsi Oils and Flours Private Limited is already in existence for the benefit of the employees and their immediate family members in the areas of extending loan to employees, participation at festivals and best worker award etc. It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.

Further, CSR makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers. - See more at:

### I. Objective

The main objective of **Itarsi Oils and Flours Private Limited** CSR policy is

- ☐ to lay down guidelines to make CSR a key business process for sustainable development of the society.
- ☐ to directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
- ☐ To generate goodwill and recognition among all stake holders of the company.

### II. OUR RESPONSIBILITIES

#### A) Towards our communities

We will involve communities surrounding our operations to bring about a positive change in their lives through holistic, sustainable and integrated development.

#### B) Towards our Customers

We will build gainful partnerships with the customers to understand their needs and provide right product and service solutions. We will adopt and actively encourage the best and fair business practices and shall endeavour to build solid bonds with them.

#### C) Towards our Business Partners

We will support our suppliers to cultivate ethical and fair business practices and give preference over other to those who demonstrate this.

#### D) As a Corporate Citizen

We reaffirm our commitment to conduct our business with environmental accountability. We will endeavor to adopt environment-friendly technologies and energy efficiency in our operations while continuously monitoring and reducing emissions

#### E) Responsibilities toward our Employees

We will foster a work culture with high ethical principles and standards and encourage our employees to perform with total integrity, commitment and ownership. We will do all we can to support their professional growth and recognize high achievers. We recognize that our employees and contractors deserve to work in safe and healthy work environment and will make it our responsibility to ensure zero harm to people.

### III. CSR mainstay

CSR activities at **Itarsi Oils and Flours Private Limited** shall be carried out through

1. Itarsi Oils and Flours Private Limited -

Itarsi Oils and Flours Private Limited was established way back in 1987 as a with Main object as given in MOA of the company

2. Collaboration with other Companies trusts undertaking projects/programs in CSR activities.
3. Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time.
4. Directly by the Company for fulfilling its responsibilities towards various stakeholders.

### IV. CSR Activities:-

The following is the list of CSR projects or programs which Itarsi Oils and Flours Private Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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 and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
5. 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;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief 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;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. rural development projects;

11. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

## **V. Exclusion from CSR**

The following activity shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.

## **VI. CSR Committee**

CSR Committee shall be formed as per the applicable laws and the committee shall be responsible for the implementation/monitoring and review of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical reports to the board of directors.

## **VII. CSR Spend/Sources of Funding**

The committee shall endeavor to spend at least 2% of the average net profit during the preceding 3 financial years on CSR activities as enumerated above. The allocation of the fund shall be made as follows:-

1. Itarsi Oils and Flours Private Limited such amount as may be sanctioned by the Board of Directors based on their annual budget. The amount sanctioned by the Board of Itarsi Oils and Flours Private Limited will have to be utilised for the projects/programs as specified by the CSR committees of Itarsi Oils and Flours Private Limited. The unspent amount, if any, at the close of the Financial year shall be retained by Itarsi Oils and Flours Private Limited and shall be spent only on specified projects/programs.
2. Others – as decided by the CSR Committee based on the evaluation of specific project/activities.

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities

## **VIII. Implementation**

1. Project /programs covered under CSR activities shall be implemented by
  - a) Itarsi Oils and Flours Private Limited, CSR arm of the Company.
  - b) Itarsi Oils and Flours Private Limited, Trust
  - c) In collaboration with other Companies undertaking projects/programs in CSR activities.

The CSR committees of respective companies should be in a position to evaluate and report the progress of the such projects/programs.

- d) Any other institutes, NGOs, Government, Semi-government, autonomous bodies, trusts etc. However, any such projects/ program to be undertaken through this entities shall have an established track record of 3 years of undertaking such projects/programs.

The time period/duration of each project/programs shall depend on its nature, extend of coverage and intended impact of such activity.

### **IX. Monitoring & Reporting**

The CSR Committee will be responsible for the monitoring CSR porgrammes and project undertaken ditrectly or indirectly and report to the Board from time to time. The Committee shall ensure that;

- 1) Company undertake the CSR activities as provided in the CSR policy.
- 2) The Project /Program are implemented as per the program approved by the Board.
- 3) the Budget allocated for each of the project is utilized for the project as per the approved plans.
- 4) The Objective of the Program is achieved as per the plans.
- 5) Company Shall provide necessary resources and human capital for implementation and effective monitoring of the CSR Projects and Program as may be directed by the CSR Committee. The Services of external agencies or Person who have experience in the same or similar projects or program undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the projects

The CSR Committee has the powers to :

1. Seek monitoring and implementation report from the Organizations receiving funds.
2. Delegate a designated company official to co-ordinate with the Organisation receiving funds to inspect the activities undertaken and ensure information in a timely manner.

Additionally, the Committee may empower the CEO and CFO to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the Committee at its next meeting and shall report to the Board accordingly.

### **X. Disclosures**

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.