

**CORPORATE SOCIAL RESPONSIBILITY
POLICY OF
SARVESHWAR FOODS LIMITED**

A. Purpose

In terms of the Companies Act, 2013, every listed company must have a Corporate Social Responsibility (CSR) Committee of the Board of Directors which will help the Company to frame, monitor and execute the CSR activities of the Company under its CSR scope.

The CSR Committee is entrusted with implementing the CSR Policy of the Company as approved by its Board of Directors.

B. Scope

The Board recommends that the Company's CSR activities be focused on a few specific areas to create maximum impact and greater visibility. The Board recommends that the Company may consider initiatives in the following areas: The CSR Policy will cover the following focus area which the Company will undertake through its various initiatives:

1. Health
2. Education
3. Community Development
4. Natural Calamities

The following parameters should be observed while considering CSR activities of the Company:

1. Social impact
2. Visibility to the Company
3. Employee Engagement
4. Duration of the project / activity

The Company could undertake the following activities to achieve the above:

- a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d. 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;
- e. 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;
- f. Measures for the benefit of armed forces veterans, war widows and their dependents;

- g. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Centra Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- j. Rural development projects.
- k. Any other activity as may be included in Schedule VII of the Companies Act, 2013 from time to time.

C. VISION

Vision Statement

The Company aspires to be a responsible corporate citizen, behave ethically & contribute to sustainable development with strategies, policies and actions aligned with wider social, economic & environmental concerns in mind.

D. OVERALL BUDGET & RESOURCES FOR CSR

Every year Sarveshwar Foods Limited shall spend atleast 2% of its average Net profit as defined under the Rules during the three immediately preceding financial years on the CSR Activities as per approved Annual Action Plan.

In case the Company spends any amount over and above such 2% of average net profits, the same is to be considered as excess CSR expenditure which can be set-off in the immediate succeeding three financial years subject to the conditions as prescribed under the Act.

Any amount remain unspent at the end of the financial year, except in case of an ongoing project, shall be transferred to a Fund specified under Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.

In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Sarveshwar foods Limited Unspent Corporate Social Responsibility Account' for the respective year and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.

Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profits of the Company and shall be utilized towards the eligible CSR Activities/ addressed in accordance with applicable Laws.

E. CSR Committee

The Board of Directors of the Company will constitute a CSR Committee, if required with the following composition:

1. No. of Members – minimum three
2. One of them should be an Independent Director

- Meetings of the CSR Committee

The CSR Committee would meet as and when required.

- Quorum of the CSR Committee meetings

The quorum of the CSR Committee meeting would be two members present for the meeting.

- Secretary of the CSR Committee

Company Secretary of the Company would be the Secretary of the CSR Committee.

- The role of the CSR Committee

1. To formulate, modify and recommend to the Board the CSR Policy along with the Annual Action Plan as per the requirements under the Act, which shall include the following:
 - a. To identify the list of CSR projects/ programme or activities, that are approved to be undertaken as specified under Schedule VII of the Act;
 - b. The manner of execution of CSR projects or programme;
 - c. The modalities of utilization of funds and implementation schedules for the CSR projects or programme;
 - d. To monitor the execution of CSR projects or programme and adherence to the CSR Policy from time to time;
 - e. To determine if the Company falls under the prescribed criteria to conduct impact assessment for the earlier projects undertaken by it- In the event of average CSR obligation of Rs. 10 crores or more in the three immediately preceding financial years, the Company shall ensure that impact assessment through an independent agency is carried out for CSR projects having an outlay of Rs. 1 crore or more. Expenditure incurred for such assessment shall not exceed 5% of the total CSR expenditure for the financial year or rupees fifty lakh, whichever is less.
 - f. To specify the reasons, if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of the Companies Act, 2013, for not spending the amount 8[and, unless the unspent amount relates to any ongoing project transfer such unspent amount to a Fund specified in Schedule VII of the Companies Act, 2013, within a period of six months of the expiry of the financial year]
2. To hold meetings at regular intervals to review and monitor the progress of the various projects/ activates undertaken.
3. Undertake Impact assessment through third parties for CSR projects whenever applicable;
4. To recommend to Board, the projects that are in line with the CSR Policy.
5. To recommend to the Board the amount of expenditure to be incurred on CSR projects or programme.

6. To ensure that any surplus arising out of the CSR projects/ programme or activities will not form part of the business profit of the Company and will be dealt with in accordance with the Act.
7. To regularly monitor the implementation of the CSR projects/ programme or activities undertaken by the Company.
8. To perform any other functions and ensure due compliance of the provisions of the Act, its Rules, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any other laws or regulations from time to time.

F. APPROVAL

The expenditure to be incurred for the CSR projects/ programme/ activities needs to be recommended by CSR Committee for further approval of the Board of Directors of the Company. Similarly for meeting the immediate and urgent requirement funds the following authorities are required to approve the expenditure with following limits.

- Purpose
To approve the expenditure budget for the project/ programme/ activities in line with the CSR Policy.
- Approving Authority
Board of Directors shall approve the CSR Budget and authorize MD/WTD/ Chairman of CSR Monitoring Committee for execution of projects as per approved Budget. MD/WTD/Chairman of CSR Monitoring Committee in turn can sub-delegate and authorise any other Officer of the Company as they may deem fit for administrative convenience and smooth operations.

G. IDENTIFICATION OF PRIORITY AREAS

The preference to the local area and areas around where we operates, in the areas of Education, Health, Infrastructure, Skill Development; (Livelihood promotion and Women empowerment) shall be the prime focus for development of the community under CSR. Protection of environment as global mandate will remain an integral part of CSR initiative of the Company. However the Policy will be open to accommodate any activities as defined in Schedule VII of Companies Act, 2013 as and when required.

H. REPORTING AND RECORD KEEPING

- a. The CSR Committee shall maintain proper Minutes of all its Meetings;
- b. The Annual Report on CSR shall be included in the Board's Report including details as specified in the Act;
- c. The Board to ensure that details of CSR Projects, the composition of CSR Committee and the CSR Policy is available on the Company's website www.sarveshwarfoods.com

I. GENERAL

- a. In the event of any conflict between the provisions of this Policy and of the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other statutory enactments, rules, the provisions of such Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or statutory enactments, rules shall prevail

over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/ modified in due course to make it consistent with the law.

- b. In case of any doubt with regard to any provisions of the Policy and difficulties, the interpretation and decision of CSR Committee and the Board of Directors of the Company will be final.
- c. Any or all the provisions of the CSR Policy would be subject to the revision/ amendment in accordance with the guidelines on the subject as may be issued from Government from time to time.
- d. The Company reserves the right to modify, cancel, add or amend any of these Rules of the Policy.

J. AMENDMENTS

This Policy can be modified or repealed at any time by the Board of Directors taking into consideration the recommendation of CSR Committee of the Company.

The Company Secretary & Compliance Officer is being authorized to amend this Policy to appropriately incorporate statutory amendments relating to Corporate Social Responsibility from time to time. Such amended policy shall be placed before the CSR Committee and the Board of Directors of the Company for information and noting.

Further, the policy is amended with the approval of Board of Directors in its meeting held on 30th May, 2022 in order to incorporate the latest amendments in respect of Corporate Social Responsibility.