



**LT Foods**

**CORPORATE SOCIAL RESPONSIBILTY POLICY**

**LT FOODS LIMITED**

## **PREAMBLE**

The Corporate Social Responsibility Policy of LT Foods Limited, has been developed in consonance with Section 135, Companies Act 2013 on CSR and in accordance with CSR Rules notified by the Ministry of Corporate Affairs, Government of India. It shall apply to all CSR Projects/ Programmes undertaken by the company as per liberal interpretation of activities listed in Schedule VII of the Act, within the geographical limits of India alone, preferably towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment.

## **CSR VISION STATEMENT & OBJECTIVE:**

### **VISION**

The company aspires to be a responsible corporate citizen, behave ethically & contributing to sustainable development with the strategies, policies and actions aligned with wider social, economic & environmental concerns.

### **OBJECTIVE:**

- I. To set a guiding principles for carrying out CSR activities.
- II. To set up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
- III. To conduct its business in line with the Responsible Business framework.
- IV. To create superior value for our stakeholders.
- V. Implementation of the CSR activities in Projects/ Programme mode through a focused approach for generating maximum approach.

## **CSR BUDGET**

- I. The Board of Directors will ensure that the company spends, in every financial year, at least 2% of the average net profit ( to be calculated in accordance with the provision of section 198) of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility policy.

- II. Any surplus or profit generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus or as a supplement to the CSR budget. These funds will be further used in development of the CSR projects and will not be added to the normal business profit.
- III. In the event that the amount to be spent on CSR activities is not spent in its entirety in that FY, the reasons thereof will be outlined as per section 134 (3) (o).
- IV. The Company will claim CSR expenditure only for the funds that are provided from its own resources and not for the contribution received from the other sources.
- V. The CSR budget will be used as per the activities mentioned in the schedule VII in project/programme mode with a process of monitoring, evaluation and clear outlining of desired outcomes.

## **PLANNING AND IMPLEMENTATION**

All CSR activities will be in the form of Projects/Programmes, which will, as far as possible, entail the following components:

- ❖ Details of annual financial allocation.
- ❖ Baseline Survey/Need Assessment where considered necessary/feasible.
- ❖ Identification of Beneficiaries.
- ❖ Signing of agreement with implementing agency.
- ❖ Formulation of detailed Project Report with clear deadlines.
- ❖ Preparation and Implementation of a comprehensive and concurrent documentation procedure.
- ❖ Regular Monitoring & Periodic review of the projects.
- ❖ Evaluation & Assessment by a third party.
- ❖ Mandatory Reporting

The Company will endeavour at all times to develop the skills of the CSR team and capacity building of implementing agency that it engages with but the budget on the same limited to 5 percent of the total CSR budget in the financial year.

The Company will explore possibilities for collaborating with other corporates, Government, International organization and may consider participating in projects/programmes where more than one corporate or International agency is involved.

In order to ensure the long term outcomes and impacts, company will lay emphasis on the sustainability of its Projects/Programmes so that they remain sustainable and viable even after the company withdrawal from the project on completion.

## **MONITORING, EVALUATION AND IMPACT ASSESMENT**

A proper monitoring and evaluation mechanism is developed by the Company to ensure that all the Projects/Programmes are duly implemented as budgeted.

The Monitoring System developed by the company includes:

Regular field visit to project/ Programme sites by designated team.

Regular Interaction with the beneficiaries to obtain feedback.

Third party audit for projects as per the CSR Committee decision

The Internal Monitoring Group is formed for this purpose which comprises of:

1. Monika Chawla Jaggia-Company Secretary
2. Sachin Gupta- GM Finance
3. Vineet Aggarwal- DGM Taxation

The Internal Monitoring group will submit its report to the CSR committee formed under the Act and further the committee will monitor the CSR policy from time to time. Disclosure of the Final assessment report will be done as per the CSR Rules.

## **DOCUMENTATION**

The Company will ensure the proper preparation of Comprehensive documentation and compilation of reports timely which will include printed material, audio recordings, video recordings etc.

## **ACCOUNTING & AUDITING**

The Company will follow the Accounting and Auditing Guidance Note/Standards duly approved by the Ministry of Corporate Affairs, GOI

## **DISCLOSURE**

The Company will comply with section 135(2), 135 (4) (1) and 134 (3) (o) of the act and will ensure to make a disclosure of its CSR Policy, Implementing agency, expenditure details and the composition of CSR committee of the Board.

## **REPORTING**

In consonance with the Section 134 (3) (o), the Company will disclose the “Annual Report on CSR” as per the guidelines.

### **Composition of the CSR Committee**

The members of the CSR Committee are as follows:

1. Radha Singh
2. Gokul Patnaik
3. Vijay Kumar Arora
4. Rajesh Kumar Srivastava

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

The role of CSR Committee is:

- ❖ To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013.
- ❖ To recommend the amount of expenditure to be incurred on the activities in a financial year.
- ❖ To monitor the Corporate Social Responsibility Policy of the company from time to time.
- ❖ Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

The Board of Directors of LT FOODS LIMITED shall,

After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the Company and disclose the contents of such Policy in its report and also place it on the company's website in such manner as may be prescribed.

Ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.

The Board shall make every endeavour to ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

## **CSR ACTIVITIES / PROJECTS**

Schedule VII to the Companies Act, 2013 lists down the activities which may be included by companies in their corporate social responsibility policy, implementation programs. The said activities relates to

(i) Eradicating hunger, poverty and malnutrition, “promoting health care including preventinve health care”] and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) 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.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) 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 art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]

(x) rural development projects]

(xi) slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

(xii) disaster management, including relief, rehabilitation and reconstruction activities.]

However, out of the aforesaid activities, the company is currently associated with Fair Farming Foundation for development of rural infrastructure and school adoption, Udayan Care for education and upliftment of poor girls and Patiala foundation for imparting Impart Education regarding Two- Wheeler Safety and Rights of Pedestrians and make the lives of Two- Wheeler riders as well as Pedestrians Safe and achieving the UN SDG Goal of reducing the fatalities/Injuries of Children on road to 50% by 2030.

Further, any or all provisions of the CSR policy would be subject to revision amendment by the Board of Directors of the company based on the recommendations of the CSR committee or else in accordance with the guidelines on the subject as may be issued, from time to time.

As amended on 08<sup>th</sup> Aug, 2019

**ANNEXURE -1**  
**FORMAT FOR THE ANNUAL REPORT ON CSR INITIATIVES TO BE**  
**INCLUDED**  
**IN THE BOARD REPORT BY LT FOODS LTD:**

1. A brief outline of the Company's CSR Policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:
2. The composition of the CSR Committee.
3. Average Net Profit of the company for last 3 financial years
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):
5. Details of CSR activities/projects undertaken during the year:
  - a. Total amount to be spent for the year:
  - b. Amount carried forward from earlier years:
  - c. Amount spent during the year as below:
  - d. Amount carried forward for the year.

S.No	CSR project or activity identified	Sector In which The project is covered	Projects or programme: (i) Local area or other State or district where the projects or programmes was undertaken	Amount outlay (Budget) project or programme wise	Amount spent On project or programs:  Sub head: 1.Direct expenditure on project or programme;  2.Overhead	Cumulative expenditure up to the date of reporting	Amount spent: Direct or through implementing agencies*
1.							
2.							
	TOTAL						

\*Give details of implementing agencies.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.



7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-  
(Chief Executive Officer  
or Managing Director or  
section (1)  
Director)  
Act)  
applicable)

Sd/-  
(Chairman CSR Committee)

Sd/-  
(Person specified under  
clause(d) of sub-  
of section 380 of the  
(Wherever

## **ANNEXURE -2**

### **FRAMEWORK FOR SELECTING PARTNER ORGANIZATIONS**

#### **1. Work of the Organization**

Before delving into detailed project planning with a prospective partner, LT Foods must conduct proper research on the domain that it operates in. This primary research must include:

- ♣ Year of establishment
- ♣ Domains of work
- ♣ Past and current projects
- ♣ Geographic Reach

#### **2. Registration & other details**

The Partner organization should be legally registered under or as one of the following:

- (i) Societies Registration Act of 1860;
- (ii) Public Trusts registered under the Indian Trust Act 1882;
- (iii) Licensed company under Section 25 of the Companies Act 1956 or Section 8 of the Companies Act, 2013;
- (iv) The NGO/organization should be registered for a period of minimum three (3) years;
- (v) Registration under 12 A & 80G (necessary), Foreign Contribution (Regulation) Act, 1976 if in place; and other applicable laws including laws relating to taxation.
- (vi) Annual Return & Balance sheet of last 3 yrs.
- (vii) Project/Program details of previous years.

#### **3. Infrastructure**

The basic infrastructure of the Partner organization should be in place and in a functional condition. This includes offices and centers (owned or rented), office equipment, etc. This check is fundamental to ensure that there is more to the Partner organization than just a website. This necessitates a visit by LT Foods Team to the premises of the concerned Partner organization.

#### **4. Credibility of the organization**

The credibility of the NGO/Trust must be gauged on the basis of its prior experience in the proposed domain of work. LT Foods must look at the track record of the organization and the impact it has created. A robust financial management system with transparent and regular updation is an important factor.

#### **5. LT Foods will not associate with any organization which:**

- (i) Has pending legal disputes and or enquiries in connection with offences like cheating, misappropriation of funds, exploitation of beneficiaries, etc.

(ii) Is blacklisted by any government agency.

A self-declaration is required to be submitted by the organization with other necessary documents at the time of finalizing the project.

6. The criterion for the selection of a Partner Organization will also involve how well its objectives fits with LT Foods objectives.