



SHREE SHUBHAM LOGISTICS LTD

CORPORATE SOCIAL RESPONSIBILITY POLICY

Version 1.0

Recommended by: Corporate Social Responsibility Committee

Approved by: The Board of Directors

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CERTIFIED TRUE COPY



Chakrabarti

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DRAFT POLICY OF **SHREE SHUBHAM LOGISTICS LTD** (SSL) ON CORPORATE SOCIAL
RESPONSIBILITY (CSR)

1. PHILOSOPHY OF CSR

The world is facing numerous challenges ranging from poverty, malnutrition, environmental degradation, poor healthcare and climate change, inter alia. The social responsibility policy focuses on using the capabilities of business to improve lives and contribute to sustainable living, through contributions to local communities and society at large.

2. OBJECTIVE

The objective of the company's CSR policy is to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of the society around the area of operations of the Company.

3. BACKGROUND OF CSR ACTIVITIES

Shree Shubham Logistics Limited (SSL) is a public limited company and undertakes an array of activities in the post-harvest value chain for Agri-commodities based on an integrated business model. Our activities include warehousing, procurement, primary processing, trading, collateral management, funding facilitation, funding, testing & certification, and pest management in relation to Agricommodities. Our activities are aimed at a wide spectrum of market participants dealing in agri commodities, including farmers, traders & aggregators, government agencies, banks and electronic commodities exchanges.



The company has been engaged in the CSR related activities and has contributed along with its holding company i.e. Kalpataru Power Transmission Limited, generously in the areas like health-care, education, safe drinking water, food distribution, women empowerment etc. The company has its own registered trust in the name of Kalpataru Welfare Trust. Kalpataru Seva Kendra, a unit of Kalpataru Welfare Trust, provides multi-specialty medical facility with ultra- modern facilities, consultancy and routine health check-up facilities at nominal rates with medicines. Over 125 patients from surrounding villages of Gandhinagar takes benefit of this facility on daily basis.

4. DEFINITION

a) "Act" means the Companies Act, 2013 and rules made thereunder (as amended from time to time and prevalent on date) ,

b) "Corporate Social Responsibility" means and includes:-

(i) Projects or Programs relating to activities specified in Schedule VII of the Act, or

(ii) Projects or Programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation by the CSR Committee of the Board as per the declared CSR Policy of the Company subject to condition that such policy shall cover subject enumerated in Schedule VII of the Act.

5. NEED FOR THE CSR POLICY

Ministry of Corporate Affairs, Government of India has notified Section 135 being provision relating to CSR with effect from 1st April, 2014 and also notified rules namely the Companies (Corporate Social Responsibility Policy) Rules, 2014 which came into effect from the said date. The provisions relating to CSR is required to be complied with by the company which has a networth of Rs. 500 Crores or more or Turnover of Rs. 1000 Crores or more or net profit of Rs. 5 Crores or more for the year ended 31st March, 2014. Such Company fulfilling any one of the tests, shall spend atleast 2% of the "average net profit" made during 3 immediately preceding financial year as per CSR Policy. Net Profit means net profit of the company less profit arising from any overseas branch(s) whether operated as a separate company or otherwise and



dividend received from other companies in India which are covered & complying with sec. 135 of Companies Act.

While SSL has always been at forefront of Voluntary CSR, the recent amendments to companies Act has made it imperative to institutionalize the CSR activities. In this context, , the company has constituted the CSR committee of its directors who have recommended the CSR Policy to the Board of Directors and the Board of Directors has approved the CSR Policy at its meeting held on 29th May, 2015.

6. AREAS OF OPERATION

SSL has working units in the State of Gujarat, Maharashtra, Madhya Pradesh and Rajasthan. It is proposed to carry out CSR activities in the State of Gujarat, Maharashtra and Rajasthan and in areas surrounding the project sites in various States.

The areas of operation shall generally be Ahmedabad District in the State of Gujarat, Mumbai in the State of Maharashtra and Jodhpur in Rajasthan. However, other areas in the adjoining districts may also be covered if the CSR committee thinks the same appropriate.

7. CARRYING OUT OF CSR ACTIVITIES

The areas in which CSR activities to be carried out by the Company Das enumerated in the policy, can be carried out by the Company directly or through Trust. The same can be decided by the Committee from time to time. It may be noted that SSL is allowed to build CSR capabilities of its own personnel or implementing agency personnel by spending upto 5% of CSR provision on this account per FY.

8. AREAS OF CSR ACTIVITIES



The Company proposes to carry out the CSR activities in the following areas subject to the approval of the Board / CSR committee from the time to time and subject to allocation of budget and programme / project to be approved by the Board / CSR Committee:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- (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 arts 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects."

These CSR activities are not to be carried out by SSL in pursuance of normal course of business. Any activity which is carried out solely for the benefit of the employees of SSL is not counted as CSR.

9. ALLOCATION OF FUNDS

SSL shall allocate funds to the tune of at least 2% of the average net profits of the company during the immediately preceding three financial years towards the CSR activities as mentioned above. The CSR committee will spend the funds for each / any of the programme or project or activities as recommended by the CSR Committee and approved by the Board.

It is proposed that the Company spends the available funds into two kinds of projects or programmes - one is the long term multiyear and the second is medium to short term projects or programme. The CSR Committee to spend atleast 2/3rd funds on long term multiyear projects or programmes and balance amount should be spend on the projects or programmes with short term objectives.

10. Monitoring of Project and Fund Utilization

The CSR committee to meet every quarter and monitor the implementation of project/ programme / activity as decided by the CSR Committee and approved by the Board from time to time and also to adhere to the timeline and budget for various project / programme / activity.



11. ARRANGEMENT FOR CARRYING OUT CSR ACTIVITIES

The primary responsibility for carrying out the CSR activities is on the CSR Committee of Directors constituted by the Board of Directors of the company. The committee members can however take the support and help of the other employees of the company as per the requirements. The committee may constitute small groups from the employees of different sections for carrying out CSR related activities under its supervision.

If required a local man may be included as a co-ordinator or as a link man to achieve the target as well as ensuring participation of local representatives in formulating activities to obtain maximum benefit for the community.

On a need to basis,, close co-ordination shall also be done with Central/ State/ Local Governments/ NGOs etc. to synergise CSR activities with their development programmes.

All the CSR activities shall be monitored by the CSR committee on quarterly basis, review discussions shall be held among the committee members and other participants and suggestions for further improvements be discussed in detail. Feedback shall be obtained from local area representatives about the benefits of such activities and/or their suggestions to ensure that the benefits of such activities reach the local community.

It will be pertinent to highlight that any surplus arising out of the CSR projects or programs or activities shall not form part of business profit of company.

12. DISCLOSURE IN THE REPORT OF BOARD OF DIRECTORS AND DISPLAY ON COMPANY'S WEBSITE

As required by the provisions of the Companies Act and Rules made thereunder, required



particulars of the CSR activities be displayed on the website of the company and also and be disclosed in the Report of the Board of Directors of the company. The CSR Committee shall forward a report to the Board on an annual basis containing following particulars:

- (a) Average Net Profit of the Company for last three financial years
- (b) Prescribed CSR Expenditure
- (c) Details of CSR Spent during the financial year,
 - i. Total amount to be spent for the financial year
 - ii. Amount unspent, if any,
 - iii. Manner in which the amount spent during the financial year as detailed in Annexure – A
- (d) In case the company has failed to spend the 2% 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 report
- (e) A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

13. POLICY DOCUMENTS TO BE REFERRED FOR IMPLEMENTATION OF CSR ACTIVITIES

- a) CSR policy of SHREE SHUBHAM LOGISTICS LIMITED
- b) Provisions of Companies Act, 2013 relating to CSR and Companies (CSR) Rules, 2014.
- c) Any subsequent notification / circular / amendments / modification / revision / addendum to the aforesaid acts and rules issued by the Ministry of Corporate Affairs, Government of India.

14. GENERAL

- a) The company reserves the right to modify, cancel, add or amend any of the above rules /



guidelines within the broad parameters of the provisions of Companies Act, 2013 and Companies (CSR) Rules, 2014.

- b) In case of any doubt with regard to any of the provisions of the policy and also in respect of any matters not covered therein, the interpretation and decision of the Chairman of the Board shall be final.

ANNEXURE A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2)specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads : (1)Direct expenditure on projects or programs (2)Overheads	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency (*)
1							
2							
3							
	TOTAL						

* Details of implementing agency to be provided

