

**CORPORATE SOCIAL RESPONSIBILITY POLICY OF NSL SUGARS LIMITED**

**I. CONSTITUTION:**

1.1. The Board of Directors of NSL Sugars Limited ("the Company") at their Meeting held on 11-3-2022, resolved to constitute a Committee of the Board with the nomenclature "Corporate Social Responsibility Committee" ("the Committee").

1.2. The Committee will act in accordance with the terms specified in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014.

1.3. The Committee shall come into force with immediate effect.

**II. DEFINITIONS:**

a) "Act" means Companies Act, 2013 including any statutory modification or re-enactment thereof;

b) "Board" means Board of Directors of the Company.

c) "Corporate Social Responsibility" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-

(i) activities undertaken in pursuance of normal course of business of the company;

(ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;

(iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;

(iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);

(v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

(vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

d) "CSR Committee" means Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

e) "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

### **III. MEMBERSHIP:**

3.1. The Committee members shall be appointed by the Board. The Committee shall be constituted with a minimum of 3 members out of which at least one shall be an Independent Director.

3.2. The Committee Chairman shall be appointed by the Board. In the absence of the Committee Chairman, the members present at any meeting of the Committee shall elect one of their members to chair the meeting.

3.3. Only members of the Committee have the right to attend Committee meetings. However, all Directors may be invited to attend all or part of any meeting as and when appropriate. In addition, other individuals such as Company employees or external advisors may be invited to attend all or part of any meeting as and when appropriate.

3.4. The requisite quorum shall be any two members present at the Meeting.

3.5. The Company Secretary shall act as the secretary to the committee.

### **IV. FREQUENCY OF MEETINGS:**

4.1. The Committee shall meet at least once a year and otherwise by either physically or by audio or video conferencing, as may be necessary. Additional meetings may be held to ensure the Committee to take note of the CSR activities, the expenditure thereon as budgeted, the service level agreements with any NGO qualified to undertake CSR projects if required, and monitoring thereof. In case of any exigency, the details of CSR activities with expected expenditure may be circulated to the members for their approval and implementation.

### **V. NOTICE OF THE MEETING:**

5.1 Meeting of the Committee shall be convened by the Secretary of the Committee at the request of any of its members.

5.2 Meetings may be held with the physical presence of the Members or via video conference mode.

5.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend along with the supporting papers, 7 days before the date of meeting.

5.4 Any member desirous of participating through videoconference may communicate the same to the Company or the Secretary at least two (2) days before the date of Meeting. The Company while arranging for a videoconference Meeting shall comply with the conditions specified in Section 173 of the Act read with relevant Rules made thereunder.

5.5 Additional meetings may be held at the discretion of the Board or any member (s) of the Committee and shall be held at such time, date and venue as may be decided by the person calling the Meeting.

#### **VI. ACTIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION:**

6.1. The Committee shall recommend to the Board one or more of the following activities, or such other activities provided in Schedule VII of the Companies Act, 2013 as its projects for CSR activity along with the proposed expenditure:

a) Eradicating hunger, poverty and malnutrition, promoting health care (including preventive 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;

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 centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

d) Ensuring environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, 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;

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, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

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 Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;

i) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

j) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)

k) Rural development projects;

l) Slum area development;

m) disaster management, including relief, rehabilitation and reconstruction activities.

6.2. In addition to the list of activities stated in clause 6.1 the Committee may also recommend any other initiative(s) benefitting the society at large as the CSR activity of the Company on a voluntary basis.

6.3. The Committee intends to carry out its CSR activities through its own personnel/ department established with persons qualified to undertake such activities. The Committee may permit, the Company to engage the services of any trust or society having an established track record of at least three financial years in undertaking CSR activities within the norms prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

6.4. The Company may also collaborate with its Group/Associate Companies for undertaking the said activities.

## **VII. EXPENDITURE TO BE INCURRED**

The Committee shall determine an amount equivalent to 2% average of the net profit made during the three immediate preceding financial years in accordance with the provisions of Section 198 and shall thereafter prepare a budget of expenditure to be applied for the CSR projects contemplated in the annual policy of the Company for each financial year. The Committee may also consider that the Company make voluntary contribution or incur expenditure as deemed necessary for CSR activities, notwithstanding that the Company does not earn or have surplus of 2% of its average net profits for three years. The Committee shall request the Board of Directors to cause the statutory auditors to audit the Company's expenditure on CSR projects for the purpose of true and fair reporting of its accounts as part of its balance sheet, at the annual general meeting. In the event that the Company is not able to carry out the activities through its department/personnel and the Company needs to appoint any qualified agency for carrying out the CSR activities, then in such an event, the Committee shall cause the agency to maintain its accounts on an imprest account basis and to submit monthly audited statements of expenditure made on CSR to the Company's CFO for inclusion in the quarterly accounts presented to the Board/ to the Company and its shareholders.

## **VIII. MONITORING**

The Committee shall through its members monitor the expenditure incurred vis-à-vis the budgets and moneys provided to its departments or through such agency / trust appointed in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014, read with Section 135 of the Companies Act, 2013. The Committee may also nominate one or two directors to physically examine the CSR undertaken and to submit a report of activities undertaken and performed.

## **IX. REPORTING**

The Board's Report shall include an annual report on CSR containing particulars as specified.

## **X. PUBLICATION OF THE POLICY**

The CSR policy recommended by the Committee and approved by the Board shall be displayed in the Company's website for public viewing.

## **XI. AMENDMENT**

The Company or the Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

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