

# suminter

INDIA ORGANICS

HR

CORPORATE SOCIAL RESPONSIBILITY

**Sub: Corporate Social Responsibility Policy**

**Version: HR/ CSR Policy / 01**

**Authorized by : Director**

**Issuing Date: 01/04/2015**

Corporate Social Responsibility Policy

CEO  
Authorized Signatory

# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

## **1. OBJECTIVE:**

The objective of this policy is to lay down the rules pertaining to prevention of Corporate Social Responsibility.

## **2. APPLICABILITY:**

This policy is applicable to all companies of Suminter Group. The Group consist of (i) Suminter India Organics Pvt. Ltd. (ii) Bergwerff organics India Pvt. Ltd. (iii) Suminter Organics & Fairtrade Ginning Mills Pvt. Ltd.

## **3. POLICY:**

We understand well our social responsibilities at Suminter India Organics Privet Limited (SIO). CSR shall be an integral, strategic and significant part of our business process. We aim at creating equitable values for all our stakeholders, primary and secondary. CSR shall be a vital constituent of our company's commitment to sustainability. We shall optimally use all the resources (Natural & other) and shall aptly respond to the challenges of environmental and social change. We shall attempt active participation of our stake-holding community and entire society for their inclusive growth and improvement in quality of life around us with especial focus on deprived section of society and natural resource management. We Also follow the Fairtrade regulations of Flocert.

## **4. IMPLEMENTATION:**

This policy is communicated to all employees in an appropriate and meaningful manner.

All the units of Suminter and its associates have appropriate system and processes in place to ensure compliance with the Policy with statutory provisions. The Unit Head of Chief Executive of the unit will responsible to ensure the implementation of this policy.

Compliance with the Policy will be regularly monitored and evaluated by the Sustainability / CSR Committee. The report will be reviewed six monthly and if any issue come will be resolved immediate in priority. The CSR & Sustainability Committee of the Board will supervise the implementation and execution of this Policy.

Annexure I - Signed copy of Policy

Annexure II - SIOPL - CSR - Rules - I

## Annexure I



**Suminter™**  
India Organics Pvt. Ltd.

# SIOPL

## CSR Policy

We understand well our social responsibilities at Suminter India Organics Privet Limited (SIO). CSR shall be an integral, strategic and significant part of our business process. We aim at creating equitable values for all our stakeholders, primary and secondary. CSR shall be a vital constituent of our company's commitment to sustainability. We shall optimally use all the resources (Natural & other) and shall aptly respond to the challenges of environmental and social change. We shall attempt active participation of our stakeholding community and entire society for their inclusive growth and improvement in quality of life around us with especial focus on deprived section of society and natural resource management. We Also follow the Fairtrade regulations of Flocert.

Date: 01/04/ 2015



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## Annexure II

# Suminter India Organics Pvt Ltd

## CSR - Rules - I

*This document contains information that is confidential and the property of SIOPL, author and designated parties. Neither this document nor its contents may be revealed or disclosed to any unauthorized persons or agencies nor sent outside without prior permission. This document may not be used, copied, modified, transmitted or inspected by any means, including the use of data processing equipment, xerography or any other methods, known or unknown, without the express written permission of duly authorized individuals of SIOPL.*

### **GENESIS**

SIOPL believes that any business derives and is driven within the societal ambit. No business can therefore survive in isolation from the society. Thus businesses have a special and continuing responsibility towards the society and they need to commit themselves in making a positive difference to the society.

SIOPL therefore will focus on supporting, encouraging, enabling and empowering the underprivileged and deserved sections of the society particularly the farming community and will strive to integrate a win – win situation for all stakeholders.

SIOPL believes that any development intervention should originate at the grassroots level. SIOPL will therefore seek to take up bottoms – up approach in planning and implementation of its CSR projects and will focus to have greater and wider reach with projects that can impact the lives of people in a positive manner.

### **THE THEME:-**

‘Better tomorrow’.

### **VISION**

As a catalyst to bring changes in the lives of millions of people who are not privileged, by addressing the real needs at the grassroots level and also enabling and empowering communities in the change process following the philosophy of civic driven change and adopting the highest standard of governance.

“Empower communities for inclusive growth”

### **MISSION**

Empower, Energize, Involve and Enable Communities for continuous value creation for all stakeholders through Fair Trade Business and beyond.

## QUALITY

SIOPL will pursue for excellence in whatever we do.

## ASSURANCE

SIOPL will invest towards its social commitment with utmost degree of integrity, honesty and transparency. The decision on such investment should originate at the level of stakeholders and the stakeholders will be the drivers of the project in planning implementation and post implementation monitoring.

SIOPL promotes innovation and the process of continuous learning. It will seek to adopt the values that drive our business. SIOPL seeks to collaborate and partner with all stakeholders.

## BOTTOMLINES

The bottom lines for CSR interventions in SIOPL are as follows:-

- ➔ **CSR as investment:-** SIOPL will seek to identify the needs of underserved rural communities around area of operation through stakeholder's analysis and engagement process. Thus jointly identifying achievable targets, establishing mechanism to gauge effectiveness, providing managerial and operational support and working to achieve scale and sustainability will remain focus.
- ➔ **Defined Return:-** SIOPL believes CSR is an integral part of business activity. Hence it expects all CSR activities to yield a defined return. The return on investment may be economic or social or a combination thereof (blended return). SIOPL plans to measure the impact through relevant methodologies and joint monitoring and evaluation.
- ➔ **STAKEHOLDER'S ENGAGEMENT AND PARTNERSHIP:-** SIOPL seeks to employ mechanism for continuous stakeholder's engagement and partner with like-minded institutions to ensure program effectiveness and long-term sustainability. SIOPL also seeks partnership with like-minded funding partners and seeks to mobilize a higher degree of convergence of efforts to avoid duplication and add value to projects through collective wisdom.
- ➔ **ENVIRONMENTAL CONCERNS:-** Addressing environmental hazards is core to SIOPL business activity. SIOPL seeks to add value to its operation by taking into ambit sustainable projects for environmental mitigation.

## CSR UNIVERSE SIOPL

The dimensions of CSR of Suminter India Organics are:-

**Social:-** SIOPL will focus on putting the last first and will take up projects for inclusive growth of community.

**Economic:-**The economic impact of our business will not only mean generating profit but a wider economic impact for population at the bottom of pyramid.

**Environmental:-** SIOPL will strive to incorporate a sustainable model in its business model. SIOPL will also focus to build capacity of grassroots level stakeholders thereby sensitizing and enabling them to take up sustainable model of farming.

The focus will be on integration of social, economic and environmental dimensions in all our activities.



### **CORE / THEMATIC AREA OF FOCUS:-**

SIOPL believe that there are some specific areas that can have a significant impact on an individual's quality of life and potentially provide multiple indirect benefits. SIOPL intend to achieve significant impact by focusing on areas that have a significant effect on an individual's quality of life. This can be defined as

➔ **Organic and Sustainable Agriculture:-** Suminter India Organics believes that organic farming practices are more suited to respond to the vagaries of nature, reduces cost of farming, sustains productivity and eliminates toxic chemicals from our food chain and clothing. Suminter India Organics will seek to integrate the social, environmental and financial aspects of sustainability while promoting such farming practices. Activities may include:-

- Capacity building training to farmers.
- Support for purchase of farm implements.
- Promote traditional knowledge and innovation to enhance and sustain productivity.
- Support for installation of production facility for bio manure, bio pesticide, organic seed production, etc.
- Organizing exposure visit, training and capacity building for farmers.
- Facilitate better value for organic products.

- **Sustainable and Quality Education:-** Suminter India Organics believes that education is one of the strongest pillars to facilitate vertical social mobility. Suminter India will focus on enhancing education quality by:-
- Improving learning infrastructure.
  - Addressing gender gap in education by promoting female literacy
  - Working with school teachers to identify at-risk students and providing them with mentoring to address the drop out
  - Mentoring students for higher education.
  - Involving teachers and community members to understand the immediate needs.
  - Organize specific training program at school level to help students enhance their employability and understand their environment.
- **Infrastructure Creation:-** Suminter India understands that lack of adequate infrastructure is a key deterrent in development and upliftment of farming community. The company will therefore direct its energy and resources to build critical infrastructure projects that have community 'ownership', ensure common access, possess robust operation and management systems and address the immediate needs of the community. This may include
- Drinking Water facilities for human and livestock,
  - Sheds,
  - Community building,
  - Upgrading local schools, anganwari through whitewash, renovation, etc.
  - Water treatment / filtration facilities,
  - Farm implements like tractors, etc which can have collective ownership
  - Storage capacity,
  - Training hall,
  - Farm product processing unit (Ginning and pressing mills, etc)
- **Livelihoods Improvement:-** Suminter India through its business operations strives to provide economic security to the farming community who are placed at the bottom of development pyramid. Suminter India also acknowledges and respects the diversity that these community display in their livelihoods option and will strive to strengthen them by:-
- Skills building and capacity up gradation training on both farm and nonfarm activities
  - Facilitating market linkage.
  - Providing inputs for better and quality production.
  - Farm Product processing unit
  - Promote animal husbandry
  - Promoting better practices across various trades
  - Motivating the better producers.
- **Inclusion and Social Upliftment:-** Suminter India will focus on empowerment and inclusion of vulnerable and bottom of pyramid population in development process by facilitating access to development opportunity. To serve the purpose every plan will be tailor made to reach out to the bottom of pyramid population. Promoting collective approach and a say in the planning process will be critical
- **Environment:-** Sustainable, green and clean development is at the core of whatever Suminter does. Suminter will continue its effort in promoting healthier environment for the society at large. Interventions may include

- Agro forestry, horticulture promotion.
- Plantation drive
- Rainwater harvesting
- Awareness on clean fuel usage – biogas, improved cook stoves, pressure cooker, etc

## **GOVERNANCE STRUCTURE**

**Villagers Council:-** Suminter India seeks to enhance visibility of its projects by involving stakeholders at all levels of project planning and execution. The villager's council will provide an independent view on strategies and program and will lead any independent monitoring and review processes. The council will provide necessary inputs on CSR programs before, during and after implementation of projects. The council will be integral part of all projects.

**Producer's Council (Producer's Executive Body):-** For bigger and long term project a committee comprising representatives of various villagers' committee will be formed to provide guidelines for effective implementation. The producer's council will be the driver of all projects and will take critical decisions on selection of project, identification of contractors, etc. In the long run the producer's council is expected to become independent and will be groomed accordingly. The council will be registered under relevant act of the government to give it a legal identity and will have a separate bank account. All investment will be routed through this account only in which producer's council will be a joint signatory (till the time they become independent).

**Field Level Officers / Extension Officers:-** Suminter India Organics Pvt Ltd will hire field level officers / extension officers for field level handholding of the village committee and producer's council. The extension workers will be from agri-business / sociology background and will have ample exposure. SIOPL will organize capacity building workshops, training and seminars for these extension officers. The extension officers will conduct capacity building workshops for village committee subsequently.

**CSR Team:-** CSR team will provide strategic guidance for better execution of the project. This also includes mentoring of the projects and enhancing capabilities of field level implementation agencies. The CSR team will act as a bridge between the community and committee and will focus on aligning the needs and aspirations of the community with the goals of the company.

**CEO, Senior Officials and Board of Directors of SIOPL:-**They will be the ultimate owners of the CSR projects. All CSR projects will be approved by them and all reports / updates will be addressed by them. They will provide guidance from time to time to the CSR team for betterment of deliverables and for setting up of goals. In the long run SIOPL will form a committee dedicated to CSR functions at its topmost level.

## **PLANNING AND IMPLEMENTATION APPROACH**

Suminter seeks to play a catalytic role and will invest in projects that are implemented by local partnership and are economically self-sustaining and provide a clear exit. Suminter will pursue a highly



focused and disciplined top-down and bottom up investing approach in order to maximize returns, which are measurable in the form of resulting social or financial benefits. The key elements of investment strategy are:-

### **STAKEHOLDER ENGAGEMENT**

- At the inception focus will be on implementation of projects which are cost effective and easily implementable. These projects will also assist in understanding ground realities and in understanding the needs and aspirations of the community.
- Suminter will work with local communities and will provide a platform to the bottom of pyramid population to have a say in planning and execution of project.
- Suminter will channel its effort towards building local capacity.

### **PARTNERSHIP STRATEGY**

Suminter will look to forge partnership and alliance with like-minded organization for greater visibility and leverage. Suminter will also focus on avoiding duplicity of efforts. Suminter may seek local implementation partners to improve effectiveness and acceptance of its developmental programs. The following will be guiding principles:-

- **Demonstrated Returns:-** A proven track record of excellent implementation and a sound understanding of communities with which the organization will be working. Projects that have well defined and measurable goals in terms of social and economic returns and are replicable will be prioritized. Suminter will focus on project deliverables not merely in terms of output but outcomes.
- **Finances:-** The project partners should be able to pool in a good portion of project finances from other sources.
- **Follow up and Handholding:-** Projects that have components for handholding and follow up for sustainability of impact will be prioritized.
- **Documentation:-** The project partners should have excellent documentation team and should be ready to provide information on demand.

### **CSR INVESTMENT CRITERIA**

**Replicability:-** CSR projects should be replicable under various settings.

**Visibility and Reach:-** CSR projects should reach out to huge proportion of grassroots level stakeholders and the impact should be clearly felt and visible.

**Defined Returns:-** CSR projects should have defined social or economical returns.

**Pooling of Resources:-** Projects wherein resources can be pooled from other sources such as government subsidy, grant-in-aid, etc will be given priority.

**Multiplier Effect:-** CSR projects should have multiplier effects in that it could help boost the brand image of the company or can involve investees, mobilizes government resources and attention and can have multiple indirect benefits.

**Measurable:-** All investment must provide measurable social or financial benefits to enable data driven decision making. The return may be social or financial or a blended return thereof.

**Sustainability:-** All projects must have clear components of sustainability.

**Participation and Community Ownership:-** All projects must integrate participation from the local community and post implementation ownership by the community. A certain portion of the project cost or a certain portion of the project job is to be contributed by the community.

## **CSR EXECUTION PROCESS**

**Participatory Planning:-** Suminter focuses on bottoms up approach towards community development. The CSR execution process therefore begins with participatory planning of projects. The villager's committee will give an insight on the needs and aspirations of the community. Assessment of needs of the projects proposed by the villagers' council will be done jointly. This will form the basis of planning of any project.

**Approval:-** A two pronged approval procedure is proposed for CSR projects. A discussion with the villager's committee will be the first phase of approval and subsequently approval will be sought from the project level PEB (Producers Executive Body) on the projects.

**Forging Convergence / Alliance / Partnership:-** To avoid duplicity of effort Suminter will explore similar projects being implemented by development agencies in the locality for convergence or alliance or partnership.

**Finances:-** Once approved finances would be made available for execution of the project. Fund will be issued in installments with certificate from project team regarding utilization of the previous fund allocated.

**Participatory Implementation:-** A participatory approach towards implementation of the project will be followed by SIOPL. Members of villager's committee will partake in the implementation process and may provide necessary guidelines for implementation. For bigger projects an implementation committee comprising of SIOPL officers, Members of villager's committee, individual of high repute in the field (the project seeks to be implemented in), government officials, etc will be formed. The committee will provide time to time inputs for betterment of the projects.

**Monitoring:-** The project team as well as Villager's committee will monitor the progress of project on regular basis. Further cross cluster monitoring is also proposed by the project. Any discrepancy found during the monitoring will be reported to fine tune the project.

**Impact Assessment:-** Suminter may hire external agencies / academic institutions / interns to carry forward a third party assessment of CSR projects.

**Project Update and Reporting:-** Periodical updates on status of various projects will be generated by project CSR team. Further reports and learning of all projects would be generated by Suminter for

internal as well as external circulation. SIOPL will also generate annual reports of its CSR interventions for circulation. Suminter will also upload its experience in its website to reach out to all stakeholders.

**Risk Mitigation:-** SIOPL understands that the corpus dedicated towards its social responsibility is meant for empowerment of grassroots level stakeholders. In order to mitigate risks related to fund and implementation the following guiding principles will be followed:-

- CSR programs will be aligned to follow project specificities, timeline, process and progress.
- Following stakeholder engagement process, continuously evolve and upgrade.
- Paying for programs in installments and defined milestones for each installment of work.
- Joint monitoring with community.

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