



Corporate Social Responsibility (CSR) Policy

Version	Board Approval Date
V0	

Sresta Natural Bioproducts Limited

CIN: U01122TG2004PLC042837

Corporate Social Responsibility (CSR) Policy

Vision

To create sustainable livelihood for Farmers provide pure and healthy food for consumers and contribute to better ecology. The Company strives to achieve through providing healthy food which leads to healthier people leading to healthier planet.

1. Applicability

- 1.1 This Corporate Social Responsibility Policy (“CSR Policy”) has been adopted by Sresta Natural Bioproducts Limited (“the Company”) in consonance to Section 135 of the Companies Act 2013 (“Act”), the Companies (Corporate Social Responsibility Policy) Rules 2014 (“CSR Rules”), and notifications/circulars issued by the Ministry of Corporate Affairs, Government of India from time to time.
- 1.2 The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.
- 1.3 This policy shall be applicable to Sresta Natural Bioproducts Limited, and all its employees.

2. CSR Budget

The CSR Committee of the Board constituted under Section 135 of the Act will recommend project wise annual budgeted expenditure to the Board for its consideration and approval. The total CSR budget for any financial year shall be 2% of the average net profits of the Company made during the three immediately preceding financial years.

3. Areas of Focus

The Company will implement its CSR activities in accordance with provisions of Section 135 of the Companies Act 2013 and the Rules notified thereunder. The focus areas of the Company are as follows:

- a. Rural Development

- b. Environment
- c. Health
- d. Education

4. Implementation

The Company's CSR programmes will be identified and implemented in accordance with approved CSR policy of the Board. The Company will enhance its monitoring and evaluation mechanism so as to ensure every programme has:

- i. clearly defined objectives, targets and time lines.
- ii. progress monitoring system
- iii. a reporting framework and system in alignment with the Act and Rules.

The company will implement its CSR programs through identified agencies in the field.

5. CSR Governance Structure



An individual will be appointed to act as a nodal officer between the implementing agency and CSR Committee.

6. Roles and Responsibilities

7.1 Board

The Board of the Company will be responsible for:

- approving the CSR policy as recommended and formulated by the CSR Committee
- ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation made during the three immediate preceding financial years on the CSR activities specified in Schedule VII of the Act.
- ensuring that every financial year funds committed by the Company for CSR activities are utilised effectively, and regularly monitoring implementation.
- disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.
- ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the format prescribed under the CSR rules as amended from to time (Annexure-I).

As per Section 135 of the Act, the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report.

The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.

The CSR projects or programs or activities that benefit the employees of the Company and their families and any contribution of any amount directly or indirectly to any political party are not considered as CSR activities.

7.2 CSR Committee

Composition of the CSR committee: The CSR Committee of the Board will consist of three or more directors of which, atleast one will be an independent director.

The CSR committee will be responsible for:

- formulating the CSR policy in compliance to Section 135 of the Act read with the rules made thereunder

- Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
- Recommending to Board the CSR expenditure to be incurred.
- Recommending to Board, modifications to the CSR policy as and when required.
- regularly monitoring the implementation of the CSR policy

7. Monitoring and Reporting Framework

The Company's CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the activities of the agency chosen. The agency shall present the budget for the proposed programme. The Committee will in turn recommend this to the Board for its final approval. In compliance with the Act and to ensure funds spent on CSR programmes are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework will be put in place. The monitoring and reporting mechanism is divided into:

- I. Programme Monitoring and Evaluation
- II. Reporting and Documentation

8. Programme Monitoring and Evaluation

The programme monitoring and Evaluation mechanism will ensure the

- i. CSR policy is implemented as per the Act and the Rules and all projects/programmes are duly carried out as budgeted.
- ii. The expenditure on CSR will be closely monitored and funds shall be released against verified utilizations as per the approved work plans. This may include monthly field visits, comprehensive documentation, and regular interaction with beneficiary communities.
- iii. MIS monitoring mechanism and evaluation plan will be put in place
- iv. The Expected outcomes be clearly defined for each programme as per stated timelines.
- v. There shall be clarity about the scope of the programme and the need before evaluations are undertaken.
- vi. The expenditure on CSR will be audited in an accountable and transparent manner.
- vii. Periodical review and reporting by the CSR committee and the Board.

9. Documentation and Reporting

The CSR Committee will prepare the annual CSR report to be filed by the Company on approval of the Board. This report will ensure the documentation of the CSR projects and programmes, MIS on expenditure incurred towards CSR and beneficiaries impacted, which would be in alignment with the prescribed reporting format (Annexure-I) and accountability is fixed at each level of CSR process and implementation

Annexure – I

Sl No.	CSR Project or activity identified	Sector in which the project is covered	Local area or Specify the state and district where project or program were undertaken	Project wise or Program wise Amount outlay (budget)	Amount spent on the projects or programs Sub-heads: Direct expenditure: Overheads:	Cummulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*

*Details of implementing agency need to be given