



VIDYA HERBS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. INTRODUCTION

We are committed to the vision of creating a more inclusive and greener India. Our commitments towards Corporate Social Responsibility include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably. In pursuance of its commitment and in accordance with Section 135 of the Companies Act 2013 (hereinafter referred to as “Act”) and rules made thereunder along with its latest amendments, Company has formulated Corporate Social Responsibility Policy (hereinafter referred to as “Policy”).

2. OBJECTIVES

- The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.
- Embrace responsibility for the Company’s actions and encourage a positive impact through its activities to alleviate hunger, poverty and malnutrition; to protect the environment; and to support communities, stakeholders and society.
- Carry out developmental initiatives in order to meet the calls of the present without compromising the ability of future.

3. CSR ACTIVITIES & FOCUS AREA

In accordance with the primary CSR philosophy of the Company and the specified activities under the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendment(s) thereof, the CSR activities to be undertaken by the Company under this Policy shall be the activities relating to following as per schedule VII to the Companies Act, 2013 as may be amended from time to time:

- i) 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;
- 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 including contribution to the Clean Ganga Fund setup 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 arts and handicrafts;
- vi) measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
- viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central 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 Schedule Tribes, other backward classes, minorities and women;
- ix) (a) 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

(b) 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).
- x) rural development projects.
- xi) slum area development.

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

Every activity to be undertaken by the Company as above shall be approved by the CSR Committee For the purpose of carrying out the CSR activities, preference shall be given to the local area and the areas around which the Company operates.

4. CSR COMMITTEE

CONSTITUTION

Pursuant to the provisions of Section 135 of the Companies Act, 2013 (“Act”), the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of Board Level CSR shall be as follows:

S No.	Name of the Director	Designation in Committee
1	Mr. Kodimule Shyamprasad	Chairman
2	Mrs. Veena Shyamprasad	Member

SCOPE OF THE COMMITTEE

- 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 in areas or subject, specified in Schedule VII;
- recommend the amount of expenditure to be incurred for the corporate social responsibility activities of the Company in compliance with the relevant statutory provisions;
- monitor the Corporate Social Responsibility Policy of the company from time to time.
- Perform of such other functions as the Corporate Social Responsibility Committee may deem appropriate after the approval of the Board, or as may be directed by the Board from time to time.

5. IMPLEMENTATION OF CSR ACTIVITIES

The Company shall carry out the CSR activities by itself or through:-

- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved

under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

6. CSR BUDGET

CSR Budget shall be decided during each financial year by the CSR Committee. The Company shall spend at least 2% of the Average Net Profit of the company made during the three immediately preceding financial years on its CSR activities as per the provisions of Companies Act, 2013. Net profit means profit more fully described under the Rule 2(h) of the CSR Rules. Every endeavour shall be made to spend the entire yearly budget on CSR activities in that year itself.

7. CSR EXPENDITURE

The CSR expenditure shall include all expenditure on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

In case the Company fails to spend the above targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year. Any unspent amount relating to any project other than ongoing project, transfer such unspent amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

The expenditure incurred in excess of mandatory CSR expenditure (as per Section 135(5), i.e. at least 2% of the Average Net Profits of immediately preceding 3 financial years, would be set off/carried forward as "credit" against the budget requirement of immediately succeeding 3 financial years, for which Board would pass a resolution.

CSR funds remaining Unspent pursuant to ongoing projects would be transferred to "**Unspent Corporate Social Responsibility Account**" be opened by the company for that financial year in any schedule bank within 30 days of the ending of the financial year and such amount shall be spent by the company in pursuance of its obligation towards CSR within a period of 3 Financial Years from the date of such transfer, failing which, the company shall transfer the same to a Schedule VII Fund within 30 days of completion of the 3rd Financial Year.

The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by -

- a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or
- b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or

c) a public authority:

8. TREATMENT OF SURPLUSES

Any surplus arising out of CSR projects would not form part of the business profits of the company. This surplus would be :

- i) ploughed back into the same project or
- ii) be transferred to the „“Unspent CSR Account”” and spent in pursuance of CSR Policy and Annual Action Plan of the Company or
- iii) transferred to a Fund specified in Schedule-VII, within 6 months of the expiry of a fiscal, i.e. upto September.

9. MONITORING MECHANISM

CSR Committee shall monitor periodically the implementation of the projects/ programs/activities undertaken by the Company and report to the Board on a regular basis the progress of CSR activities.

10. IMPACT ASSESSMENT

Impact assessment, if applicable shall be undertaken by the Company or by recipient or by implementing agency as required by and in the manner set out under Applicable Law, and the impact assessment report(s) shall be placed before the CSR Committee and the Board and shall be disclosed as legally required.

11. REPORTING

Contents of the VHPL CSR Policy and composition of the CSR Committee would be disclosed in the Board’s Annual Report and same shall be displayed on the Company's website, in the prescribed format.
