

SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

In accordance with the provisions of Section 135 of companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of Sree Rayalaseema Hi-Strength Hypo Limited ("the Company") was constituted by the Board of Directors of the company at their meeting held on - 30-05-2014-.

The composition of the said Committee comprises of three Directors viz., (1) Smt D Sai Leela (2) Dr.A.H. Praveen and (3) Sri P Ramachandra Gowd.

1. Objective :

This policy has been formulated in compliance with Section 135 of Companies Act, 2013 read along with applicable rules thereto.

2. Scope :

This Policy shall apply to all CSR projects/ programmes/ activities undertaken by the Company in India as per Schedule VII of the Act.

3. Definitions :

In this policy, unless the context otherwise requires"

- (i) "Act" shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof.
- (ii) "Rules" shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.
- (iii) "Financial year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- (iv) "Net Profits" shall mean the net profits of the Company as defined under the Act and Rules based on which a specific percentage for CSR expenditure has to be calculated.
- (v) "Company" shall mean Sree Rayalaseema Hi-Strength Hypo Limited.
- (vi) "Board" shall mean the Board of Directors of the Company.
- (vii) "CSR Committee " shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Directors , out of which, at least one director shall be an Independent Director.

(VIII) "CSR Policy" relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.

4. ROLE OF THE CSR COMMITTEE :

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- b. Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- c. Institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.
- d. Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- e. Monitor the implementation of the CSR policy from time to time.
- f. Such other functions as the Board may deem fit.

5. ROLE OF THE BOARD:

- a. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- b. Ensure that the CSR activities included in Schedule VII of Companies Act, 2013 are undertaken by the Company.
- c. Ensure that in each financial year, the Company spends at least 2% of the average net profits of the Company made during the three immediate preceding financial years, calculated in accordance with section 198 of the Act, in pursuance of its CSR Policy . Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.
- d. As per section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

6. DISCLOSURE OF THE POLICY :

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's Report as well.

7. CSR EXPENDITURE :

The CSR activities undertaken in India only shall amount to CSR Expenditure.

8. FREQUENCY OF MEETINGS:

The meetings of the Committee could be held at such periodic intervals as may be required.

9. QUORUM :

Minimum 2(two) members shall constitute a quorum for the Committee meeting.

10. CHAIRMAN :

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

11. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

12. MINUTES OF THE COMMITTEE MEETING:

Proceedings of all meetings must be recorded and signed by the chairman of the Committee and tabled at the subsequent Board and Committee Meeting.

13. MISCELLANEOUS:

This policy shall be updated / amended from time to time by the Company in accordance with the amendments, if any, to the Companies Act, 2013 , rules made thereunder or any other applicable enactment for the time being in force.

For Sree Rayalaseema Hi-Strength
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V. Surekha
(V. Surekha)
Company Secretary