

**SHV ENERGY PRIVATE LIMITED**

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| POLICY NO.    | : | CSR/P2/Amendment to CSR Policy P/1 dated 01.04.2014  |
| SUBJECT       | : | POLICY ON CORPORATE SOCIAL RESPONSIBILITY All in SHV |
| APPLICABLE TO | : | ENERGY PRIVATE LIMITED                               |
| COPY TO       | : | LEADERSHIP TEAM                                      |

**INTRODUCTION**

SHV ENERGY PRIVATE LIMITED (hereinafter referred to as 'Company') believes in working with the society for the welfare and betterment of the standard of living of the needy and underprivileged sections in and around where the Company operates in India, to the extent possible based on social need opportunities. To achieve this purpose the Company's parent company M/s SHV Energy India Private Limited has set-up and provided grants to a non-profit, Registered Charitable Trust "SUPERGAS Foundation", which has been carrying out its mandate, since inception from the year 2011, of reaching out to communities around where the Company operates.

The Government of India, as a welcome step, vide Companies (Corporate Social Responsibility Policy) Rules 2014 under section 135 of Companies Act 2013 has mandated compulsory participation of certain companies in Corporate Social Responsibility (CSR) activities as laid down in Schedule VII from time to time.

Therefore, it is felt expedient to have a concrete laid down policy by the Company to channelize and achieve its CSR objectives in line with the Companies Act (CSR Rules) in a more definite way and to track, monitor and review, the implementation in consonance with the said objectives. Accordingly, the Company has formulated a CSR Policy bearing No. CSR/P1 dated 01.04.2014. And since then, in line with Schedule VII of CSR Rules, the company has made meaningful social & community investments through its philanthropic-arm SUPERGAS Foundation [SGF] a Registered Charitable Trust in reaching out to the needy and disadvantaged communities across the Company's locations and enabled SGF to work relentlessly at the grassroots with visible rate of success.

With the changing CSR landscape in India, the company has felt necessary and expedient to review and revise its CSR Policy of 2014 bearing No. CSR/P1 dated 01.04.2014 in the manner given below.

**THE CORPORATE SOCIAL RESPONSIBILITY OBJECTIVES**

From amongst the various CSR initiatives mentioned in Schedule VII of the CSR Rules in Companies Act, 2013, to the extent possible based on social need and community welfare investment opportunities available around the Company's locations, the Company shall choose only such CSR projects and initiatives relevant to it and have SGF take up, work closely, incur expenditure and/or

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| VALIDATED & RECOMMENDED FOR APPROVAL OF BOARD OF DIRECTORS BY:CSR COMMITTEE:  |
| APPROVED FOR AND BEHALF OF THE RESPECTIVE COMPANY'S BOARD OF DIRECTORS:       |

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contribute to those chosen CSR activities from Schedule VII, CSR Rules, Companies Act 2013 as existing now or as may be amended from time to time, with the end objective of fully complying with the applicable CSR Laws in India.

**THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company shall have a Corporate Social Responsibility Committee in accordance with Section 135 of The Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, Amendment Rules, 2021 and as amended from time to time. The CSR Committee shall:

- (a) Formulate and recommend to the Board, a CSR policy, which will indicate the chosen activities to be undertaken by the company through SGF, as specified in Schedule VII;
- (b) Formulate and recommend to the Board an annual action plan in pursuance of its CSR policy in chosen areas or subjects specified in Schedule VII of the Act;
- (c) Recommend the amount of expenditure to be incurred on the activities referred to in CSR policy;
- (d) Recommend the manner of execution of such projects;
- (e) Monitor CSR Policy from time to time.
- (f) Implement schedules for the projects and reporting mechanisms.

The CSR Committee which shall comprise of the Directors on the Board of the Company shall perform such functions and have such responsibilities as mandated in The Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 or statutory modification or re-enactment thereof.

**RESPONSIBILITY OF THE COMPANY BOARD OF DIRECTORS**

The Board of the Company will hold the following responsibilities:

- (a) To ensure that activities included by the company in its CSR Policy are related to and chosen from the projects or programs included in Schedule VII of the Act.
- (b) To approve the CSR policy recommended by the CSR committee and disclose the contents of such policy in its report and place it on company's website;
- (c) To ensure CSR activities are undertaken by the company through SGF;
- (d) To ensure that the Company spends, in every financial year, at least 2% percent of the average net profit [after tax] made during the three immediately preceding financial years,

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in pursuance of its CSR Policy.

- (e) To report CSR activities in Board's report and disclose non-compliance (if any) with the CSR provisions, inclusive of but not limited to giving reasons for not spending the amount if the Company fails to spend such amount.
- (f) It shall be the responsibility of the Board to ensure that the funds are utilized for approved purpose and shall be certified by the Chief Financial Officer (CFO) or Person in charge of finance.
- (g) Board to monitor implementation of ongoing projects and shall make modifications, if required.
- (h) The Board has the power to make modifications in such projects to ensure smooth implementation of the project within permissible time limit.
- (i) The Board shall mandatorily disclose the composition of the CSR Committee, CSR Policy and Projects approved by it on the Company's website.
- (j) The Board shall ensure that the following activities are excluded under the Company's CSR obligations:
  - Activities benefiting employees of the Company
  - Activities in pursuance of normal course of business
  - Sponsorship for deriving marketing benefits for own products and services
  - Activities undertaken outside India except training of National or International level Indian sportspersons
  - Contribution to political party
  - Fulfilment of obligations under any other law in force in India
  - And such other excluded activities or projects that are not allowed under the CSR Laws of India from time to time.

**MODE OF CARRYING OUT THE OBJECTIVES**

1. The Company shall carry out the above objects as per the recommendations of the CSR Committee in the following manner:

- i) Through the Company's philanthropic-arm SUPERGAS Foundation, a Registered Charitable Trust.
- ii) The Company may build CSR capacities of its personnel as well as those of its implementing agency i.e. SUPERGAS Foundation but such expenditure shall not exceed five percent (or such other amended percentage under the CSR Act/Rules from time to time) of the total CSR expenditure of the Company in one financial year.

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2. The Company shall ensure that SUPERGAS Foundation through which it undertakes the CSR Project or Programme is mandatorily registered with the Central Government by filling Form CSR-1 electronically and will submit the same to the Registrar of Companies.

3. Before submitting the Form CSR-1, it will be verified by Chartered Accountant/ Company Secretary/ Cost Accountant in practice, in accordance to the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021.

**ON GOING CSR PROJECTS & PROPOSED CSR PROJECTS**

The details and description of the on-going CSR Projects during financial year & preceding financial years will be Annexed in the Schedule to this Policy as Annual Report on CSR Activities and in the Board's Report. The Schedule shall be updated every financial year to include the latest information, by adding additional statement/s to that effect under the heading of respective financial years. The Schedule, as updated from time to time shall form integral part and parcel of this Policy.

For the execution of the on-going projects, the Board of the Company shall monitor the implementation of the projects with reference to the approved timelines and shall make modifications for smooth implementation of the projects, wherever necessary, within the overall permissible time period.

**TRACKING PROGRESS, MONITORING, REVIEWING, ETC. OF THE PROJECTS / PROGRAMS**

The Company shall assess the viability of any project or program taken-up by it under this policy and shall also ensure that there are sufficient checks and balances to arrest any possible misuse, wastage or idling of the resources allocated by the Company.

The Company shall track progress of each of the project or program taken-up by it and have the Board of a company satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify the same.

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**TREATMENT OF UNSPENT, EXCESS, OR SURPLUS FUNDS**Unspent CSR funds

Any unspent CSR funds remaining at the end of a financial year should be transferred in any of the following ways:

- Transfer to an Unspent CSR Account: Any unspent amount from an ongoing project shall be transferred within 30 days of the end of the financial year, to the specifically designated 'Unspent Corporate Social Responsibility Account' to be opened by the company. These amounts should be spent within the next three financial years, in accordance with the company's CSR Policy. If these amounts remain unspent even after the three-year period, then they should be transferred, within six months of the end of the financial year, to any fund specified in Schedule VII of the act (such as the PM National Relief Fund, PM CARES Fund, Disaster Management Fund, Clean Ganga Fund, and so on).
- Transfer to a Schedule VII fund: If the funds are unallocated to any CSR project, then such unspent amount shall be transferred, within six months of the end of the financial year, to any fund specified in Schedule VII of the act.

Surplus CSR funds

If any surplus arises out of the CSR activities, it must be:

- Spent on the same project which gave rise to the surplus, or
- Transferred to the Unspent CSR Account of the company, or
- Transferred to a fund as specified in Schedule VII of the act.

In no event shall such surplus funds be used, treated or accounted as business profit of the Company.

Excess CSR spends

If the Company has spent amounts more than the mandatory two percent on CSR, the company can set off such excess amounts against the CSR spends in the next three financial years. The Board of Directors, however, need to pass a resolution for this. It's important to note that such excess

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amounts cannot include the surplus arising out of CSR activities. For instance, if any interest is earned out of the assets acquired through the CSR funds, such interest would be treated as a surplus, but cannot be set off from the CSR budget of the following year.

**AMENDMENTS**

This Policy may be amended by the Company as per the need, in accordance with the law and to include more objects, projects and programs or to have better monitoring process on the projects and programs.

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