

VISHAKHA RENEWABLES PRIVATE LIMITED

Corporate Social Responsibility Policy

(as amended from time to time)

Corporate Social Responsibility Policy

1. INTRODUCTION:

The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Organization must realize that Government alone will not be able to get success in its endeavor to uplift the downtrodden Society. Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences.

The company endeavors to make CSR a key business process for sustainable development. VISHAKHA RENEWABLES PRIVATE LIMITED is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society.

The MCA has introduced new provisions on CSR vide amendment in the rules in the beginning of the year 2021. The term CSR has now been defined under the amended CSR Rules (defined herein under) which makes it clear which activities are excluded from the CSR purview.

2. AIMS AND OBJECTIVES

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013 and rules made there under.

This policy has been further amended, to keep in line with new CSR amendments as recommended by the CSR Committee and adopted by the Board of Directors. The Board may, upon recommendation of the CSR Committee, amend or modify this CSR Policy as and when necessary.

3. DEFINITIONS

- **Act** means Companies Act, 2013, as amended and modified from time to time.
- **Areas of Interest** means the areas of interest as identified by The Company for implementing CSR goals and shall include the areas specified in this CSR Policy and shall include all CSR Activities as defined under the Act and CSR Rules from time to time.
- **Company** means “Vishakha Renewables Private Limited”.
- **Corporate Social Responsibility (CSR)** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-
 - i. activities undertaken in pursuance of normal course of business of the company: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-
 - a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board’s Report;
 - ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;

vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;

- **CSR Committee** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- **"CSR Policy"** means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- **CSR Commitment** shall mean at least 2% of the average net profits of The Company made during the three immediately preceding financial years as described in this CSR Policy for conducting its CSR activities in accordance with the Act and CSR Rules.
- **CSR Rules** means the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time.
- **Funding** shall mean the disbursements that are to be made to an Organization pursuant to this CSR Policy, with the prior approval of the CSR Committee and the Board in accordance with the Act and Rules.
- **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the followings, namely:-
 - 1) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise, and
 - 2) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of Act:

Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

- **"CSR Projects" or "Projects"** means Corporate Social Responsibility projects | activities/ programs/ initiatives, instituted in India, either new or ongoing, and includes, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company.

Projects /activities/programs/initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

- **Ongoing Project** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
- **Net-worth** means an aggregate value of the paid-up capital and all reserves created out of the net profits and securities premium account minus the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off.

Following is excluded from computations of net worth:

- (a) Reserve created out of revaluation of assets;
 - (b) Reserves out of write back of depreciation;
 - (c) Reserve created out of amalgamation. (Section 2(57) of the Act)
- **Turnover** means an aggregate value of realization of amount made from the sale, supply or distribution of goods or on account of service rendered or both, by the company during the financial year.

4. APPLICABILITY:

- **Vishakha Renewables Private Limited's** CSR policy has been developed in accordance with the provisions of Section 135 of the Companies Act 2013 ("the Act") on CSR and in accordance with the CSR rules ("Rules") notified by the Ministry of Corporate Affairs.
- The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.
- Following are the applicability criteria as defined under companies Act, 2013
 - **Every Company** including holding or subsidiary, and a foreign company having its branch office or project office in India
 - a. having **net worth** of rupees Five Hundred Crore or more, Or
 - b. **Turnover** of rupees One Thousand Crore or more Or
 - c. **Net profit** of rupees Five Crore or more during any financial year

5. OBJECTIVE OF THE POLICY

- To assist socially and economically disadvantaged segments of society to overcome hardship and impoverishment
- To enhance increased commitment at all levels in the organization towards reinforcing its image as a social and environmental conscience company
- Demonstrate commitment to the common good through responsible business practices and good governance.

6. CONSTITUTION, COMPOSITION AND SCOPE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)*

(a) Constitution and composition of the CSR Committee:

The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising three Members of the Board. Subject to the requirements of the Act, the Board may increase or decrease the size of the CSR Committee by passing a resolution.

The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.

The current members of the CSR Committee are as under:

Name of Director	Title	Role in the Committee
Shri Akshat J. Doshi	Director	Chairman
Shri V.Rao	Director	Member
Shri Dharmesh Parikh	Director	Member

(b) Invitees to the CSR Committee:

The CSR Committee may, at its discretion, invite employees of The Company from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in the implementation of the CSR Policy.

(c) Scope of the CSR Committee:

The CSR Committee has been set up to formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely;

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

- b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

(d) Meeting of the CSR Committees:

- The CSR Committee shall meet as frequently as it determines necessary but at least once in a yearly basis.
- The CSR Committee shall maintain minutes of each of its meetings.
- The CSR Committee shall review proposed projects and make recommendations to the Board for approval of such projects and allocation of Funding in accordance with the CSR Committee charter.
- The final decision with regards to the acceptance or rejection of a CSR Proposal shall be with the Board.

**Note: AS per latest amendment in the Act, CSR Committee is not required if amount to be spent by a company does not exceed fifty lakh rupees. In such cases Board shall discharge all functions of CSR Committee.*

(e) CSR Expenditure

- (1) The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- (2) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- (3) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135 , such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that -

(i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.

(ii) the Board of the company shall pass a resolution to that effect.

(4) 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:

Provided that any capital asset created by a company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.]

(f) CSR Reporting: (1) The Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR in prescribed format.

(g) Display of CSR activities on its website. - The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

(g) Transfer of unspent CSR amount. - Until a fund is specified in Schedule VII for the purposes of subsection (5) and(6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

7. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (Areas of interest):

The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, can undertake any of the following activities, as part of its corporate social responsibility initiatives, which are included in Schedule VII of the Companies Act 2013;

(a) Areas of Interest:

- (i) Eradicating hunger, poverty and malnutrition, ²["promoting health care including preventive health care"] and sanitation ⁴[including contribution to the Swachh 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 ⁴[including contribution to the Clean Ganga Fund set-up 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 art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, ⁹[Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) contribution to the prime minister's national relief fund ⁸[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, 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.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

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

(b) The Company may update the above list as per Section 135 and Schedule VII of the Act as amended from time to time.

(c) The Company focuses its philanthropy primarily in geographic regions of India where The Company has a business presence in the area of Education, Healthcare, Sanitation, Environment protection, and Rural Development. However, The Company may contribute to causes in other parts of India, if the CSR Committee is of the opinion that such contribution is appropriate.

(d) The Company will publish the list of specific projects / programs it plans to undertake for any financial year, and the modalities of execution, including implementation plan will be published as an Annexure to this policy from time to time.

8. CSR MAINSTAY:

- Collaboration with other Companies undertaking projects/programs in CSR activities.
- Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time.
- Directly by the Company for fulfilling its responsibilities towards various stakeholders.

9. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES:

- For achieving its CSR Initiatives and Activities through implementation of meaningful & sustainable CSR programs, the Company needs to allocate, in every financial year, at least 2% (two per cent) of the average net profit made by the Company during the three immediately preceding financial years.

The CSR Commitment shall comprise of the following:

- 2% (two percent) of the average Net Profits of The Company for the last 3 (three) financial years;
 - Any income arising from the CSR Commitment; and
 - Surplus arising out of CSR activities, if any.
- In case entire CSR amount is not spent in a financial year, the Board in its report shall specify the reasons for not spending the same and, unless the unspent amount relates to any 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.
 - Any amount remaining unspent pursuant to an ongoing project undertaken by a company in pursuance of its Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Surplus arising out of CSR activities shall not form part of business profits and shall be ploughed back in the same project or shall be transferred to unspent CSR Account and spent in pursuance of CSR policy and annual action plan or transfer such surplus amount to a fund specified in Schedule VII within a period of six months of the expiry of the financial year.

- An amount spent in excess of the requirements, such excess amount may be set off against the requirements to spend upto immediate succeeding three financial years subject to conditions that:

- a. The excess amount available for set off shall not include the surplus arising out of CSR activities.
 - b. The Board of the Company shall pass a resolution to this effect.
- In case of an ongoing project, the implementation along with the approved timelines and year-wise allocation will be presented to the Company's Board.
 - The Company's CSR programmes will be identified and implemented according to the Board's approved CSR policy.

10. MONITORING MECHANISM:

1. Organizations receiving Funding will be required to provide evaluation information on a periodic basis with details on the status of the CSR Activities, including details concerning the project deliveries, costs incurred, and in a manner prescribed by The Company.
2. A summary of these reports shall be tabled before the meetings of the CSR Committee.
3. Detailed reports will be available for further perusal of the members of the CSR Committee as required.
4. The Company reserves the right to suspend payments to an Organization that delays and or fails to provide, to The Company's satisfaction, details concerning the use of the Funding

FOR, VISHAKHA RENEWABLES PRIVATE LIMITED

sd/-

(Akshat J. Doshi)
Director
(DIN: 05236670)