



CORPORATE
SOCIAL RESPONSIBILITY
POLICY



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1. INTRODUCTION

- 1.1 Sprng Energy Private Limited (“Sprng”), is a leading player in the renewable energy space in India and believes that this position gives it an opportunity to create a positive socioeconomic impact on the lives of people living in vicinity of areas where operations are being carried out by Sprng or its subsidiary and associate companies.
- 1.2 Sprng understands the obligations under the Companies Act, 2013 (18 of 2013) (“Act”), Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“Rules”) which require companies having net worth of INR 500 Crores or more or turnover of INR 1000 Crores or more or a net profit of INR 5 Crores or more during any financial year, to spend at least two per cent (2%) of their average net profits, made during the three preceding financial years on corporate social responsibility (CSR) activities. Administrative overheads as defined in the Rules upto five percent of total CSR expenditure of the Company for a financial year only shall be considered as CSR expenditure. The companies are also required to report the expenses incurred for CSR activities in the Annual report on CSR included in the Board’s Report.
- 1.3 This policy for Corporate Social Responsibility (CSR Policy) has been adopted by Sprng with a clear objective of promoting and contributing towards activities specified under Schedule VII of the Act and Rules, including any amendments thereto as may be notified from time to time.
- 1.4 This Policy shall be applicable on all subsidiaries and associate companies of Sprng except that the provisions as mentioned in sr. no. 2.5, 2.6, 4.1, 4.2, 5.3, 5.4 and 6 of this Policy shall not be applicable to the subsidiaries and/or associate companies carrying out any CSR activities unless and until the provisions of section 135 of the Companies Act, 2013 and rules made thereunder as may be amended from time to time, becomes applicable to such subsidiaries and/or associate companies.

2. OBJECTIVES OF THE POLICY

- 2.1 The primary objective of the CSR policy is to impact and improve the lifestyles and living standards of people on a sustainable basis in local area and areas around it where the Company operates.

¹ Adopted by the Board of Directors of Sprng Energy Private Limited at its meeting held in August 31, 2021



- 2.2 The objective of this Policy is to set a guiding principle for carrying out CSR activities, to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
- 2.3 The CSR policy of Sprng has a focus on healthcare, education, drinking water, infrastructure, sanitation, rural development, women empowerment and environment. Sprng will review these focus areas from time to time and make additions or deletions, based on the priorities for each year
- 2.4 Sprng proposes to undertake one or more of the following Activities/Projects as a part of its objectives under the CSR Policy:-
- (a) Healthcare: Organizing health awareness camp, health camps or mobile health clinics
 - (b) Education: upgrading school infrastructure by providing computers, books, sitting arrangements & lighting, skill development programs
 - (c) Drinking Water: Providing clean/purified drinking water facilities
 - (d) Infrastructure & Sanitation: Organizing awareness camps on sanitation & hygiene, safe waste disposal, installing community toilets etc. including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation.
 - (e) Rural Development and Women empowerment: Carrying out any rural development projects, promoting gender equality, empowering women etc.
 - (f) Environment: Ensuring environmental sustainability, animal welfare, conservation of natural resources and maintaining quality of soil, air and water
- 2.5 The abovementioned Activities/Projects as a part of its objectives under the CSR Policy, can be undertaken by the Company itself or through a company incorporated under Section 8 of the Companies Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, having an established track record of at least three years in undertaking similar activities (“Implementing Agency”).

The Implementing Agency should have further registered itself with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies.

- 2.6 If Sprng chooses to spend amount for creation or acquisition of a capital asset, then such capital asset shall not be in the name of the Company and the same shall be in the name of a company



established under section 8, or a Registered Public Trust or Registered Society, having charitable objects, or the beneficiaries of the said CSR project or a public authority.

3. CSR COMMITTEE

3.1 Constitution of the CSR Committee

(a) Pursuant to Section 135 of the Act, the Board of Sprng has constituted the Corporate Social Responsibility (CSR) Committee, comprising of the following members: -

- (i) Gaurav Sood
- (ii) Abhishek Bansal
- (iii) Barry Lynch

James Magor and Mr. Rahul Kumar Agrawal shall be invitee to all the CSR committee meetings.

- (b) The CSR committee shall hold at least one CSR Committee meeting in a financial year. The CSR Committee shall decide the CSR programs and initiatives for each financial year and accordingly recommend the agenda to the Board of Directors.
- (c) The CSR agenda for the financial year shall indicate the activities to be undertaken for the financial year, and the expenditure to be incurred on the CSR programs and initiatives.

3.2 Board of Directors

The Board of Directors shall take into account the recommendations made by the CSR Committee and approve the CSR activities proposed to be adopted by Sprng, in compliance with this CSR Policy.

4. ROLE OF THE CSR COMMITTEE

4.1 The CSR Committee shall

- (a) formulate and recommend to the Board of Directors, the CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and the applicable Rules;
- (b) shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-



- (i) the list of CSR projects or programmes in areas or subjects specified in Schedule VII of the Act;
 - (ii) the manner of execution of such projects or programmes;
 - (iii) the budget, modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - (iv) monitoring and reporting mechanism for the projects or programmes;
 - (v) details of need and impact assessment, if any, for the projects undertaken by the Company;
- (c) recommend CSR activities to be undertaken by Sprng in collaboration with Sprng’s subsidiary or affiliate companies or any other company or any other entity;

5. BUDGETS, EXPENDITURES, SURPLUS & SET-OFF

- 5.1 Sprng shall allocate a budget towards each of the CSR activities falling within the purview of the objectives of this policy. The CSR expenditure shall include all actual expenditures on project or programs relating to CSR activities recommended by the CSR Committee and approved by the Board but shall not include any expenditure that does not fall within the purview of Schedule VII of the Act.
- 5.2 Sprng shall spend in every financial year minimum amount as specified under Act and Rules. The CSR Committee members may however decide to spend higher amount, subject to approval of Board, from time to time.
- 5.3 Subject to fulfilment of such conditions as may be prescribed under law, any amount remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing project undertaken by the Company in pursuance of this CSR 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 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 in pursuance of its obligation towards this CSR Policy within a period of three financial years from the date of such transfer, failing which, the amount shall be transferred to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

“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;

- 5.4 The Board shall monitor smooth implementation of ongoing projects within the approved timelines/ year-wise allocations and shall have the power to make modifications in the on-going projects to ensure implementation within the permissible time limit.
- 5.5 Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by Sprng 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.
- 5.6 Subject to approval of the Board by way of passing a resolution, an amount spent by Sprng on CSR Activities in excess of requirement provided under Section 135 of the Act, can be set off against such requirement in immediate succeeding 3 financial years.

6. UTILIZATION OF CSR FUNDS

- 6.1 The CSR Committee shall monitor the utilization of funds towards approved CSR Activities.
- 6.2 The Chief Financial Officer or the person responsible for financial management shall, upon the applicability of requirement for spending of CSR expenditure pursuant to section 135 of Companies Act, certify on annual basis that the funds so disbursed for CSR activities have been utilized for the purposes and in the manner as approved by the Board.
- 6.3 The agreement / contract with Implementing Agency shall grant the Chief Financial Officer or the person responsible for financial management the right to inspect the books of accounts and the CSR vouchers or any other documents deemed necessary, so as to enable the Chief Financial Officer or the person responsible for financial management, to issue certification of utilization of CSR funds.

Gaurav Sood
Director & Chief Executive Officer