

Corporate Social Responsibility

South Asia LPG Company Private Limited

Background

With effect from April 1, 2014, every Company, Private Limited or Public Limited, which has Networth of Rs.500 Crores or more; Turnover of Rs.1,000 Crores or more; Net Profit of Rs.5 Crores or more, needs to spend atleast 2% of its Average Net Profit for the immediately preceding Three Financial Years on Corporate Social Responsibility Activities in the areas or subject specified in the Schedule-VII of the Companies Act, 2013. The CSR Activities should not be undertaken in the normal course of business and must be with respect to the activities defined in Schedule – VII of the Companies Act, 2013 ("the Act").

CSR Vision

South Asia LPG Company Private Limited ("the Company / SALPG") strongly believes that an organisation should make decisions based not only on financial factors, but also on the social and environmental consequences. It is the core responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its Stakeholders and with an intent to make a positive difference to society.

CSR Objectives

SALPG is proud of being a socially responsible corporate citizen. We would like to increase our CSR Activities through various initiatives aimed at improvement for the needy and marginalized sections of the society. SALPG will give preference to the local communities in and around the areas of the Company's operations and strive to achieve sustainable development for the society.

The purpose of this Policy is to articulate what CSR means to the Company, the kind of Projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and the monitoring mechanism. The Framework enables to put in place Policies and Practices in line with this Policy.

CSR Committee

The CSR Committee is constituted in accordance with the provisions of Section 135 of the Companies Act, 2013. The Present Members of the CSR Committee appointed by the Board are:

- Mr. Anuj Kumar Jain – Chairman
- Mr. Thibault Lesueur – Member
- Mrs. Richa Shinde – Member

The Board of Directors shall, after taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company and disclose its contents in their Report and also publish the details on the website of the Company, if any, in such manner as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The roles and responsibilities of the CSR Committee include:

1. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval.
2. Recommend CSR Activities as stated under Schedule – VII of the Act.
3. Approve to undertake CSR activities in collaboration with Firms / NGOs etc. and to separately report the same in accordance with the CSR Rules.
4. Shall prepare the CSR Annual Report for the approval of the Board.
5. Recommend the CSR Budget.

6. Spend the Allocated CSR Amount on the CSR Activities after obtaining the approval by the Board of Directors of the Company, in accordance with the Act and the CSR Rules.
7. Create transparent Monitoring Mechanism for implementation of the CSR Initiatives.
8. Submit the CSR Report to the Board in respect of the CSR Activities undertaken by the Company.
9. Monitor CSR Policy from time to time.
10. Monitor activities to ensure that the CSR Activities of the Company are implemented effectively.
11. Recommend to the Board an Annual Action Plan which includes the modalities for utilisation of the CSR Funds and Implementation Schedules for the Projects / Activities, Monitoring and Reporting Mechanism of the Projects, and details of need and Impact Assessment for the Projects undertaken by the Company.
12. Recommend the alteration in the Annual Action Plan at any time during the year and update, if any, required to the CSR Policy.
13. Any other matter/thing, as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

CSR Working Committee

The administration of the CSR Policy and the execution of identified CSR Projects / Activities under it, shall be carried out under the overall supervision and guidance of the following Members (including MANCOM Members):

- Managing Director and Chief Executive Officer
- Deputy Chief Executive Officer / Chief Operating Officer
- Chief Financial Officer
- Company Secretary
- Human Resources – Head
- Senior Manager – Finance
- Assistant Manager – CSR

CSR Focus Areas (Projects / Activities)

The above areas for activities are mapped with the activities as prescribed under Schedule – VII to the Act, including but not limited to, for the formulation of Annual Action Plan. While the focus of CSR efforts will be in the local areas and the areas in which the Company operates, the Company may also undertake projects where societal needs are high or in special situations (such as in the case of natural disasters etc.)

In line with the Company's Vision, the Board of Directors have identified the following core areas for CSR.

- Promoting Preventive Health Care and Sanitation;
- Promotion of Education (especially amongst children, women, elderly and differently-abled) including Special Education and Employment enhancing Vocation Skills and Livelihood Enhancement Projects;
- Setting up homes and hostels for children and orphans; setting up old age homes, day care centres and such other facilities for the senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- 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;
- Skill enhancement projects especially for Rural Population;
- To undertake or to contribute for Rural Development Projects;
- To contribute to other approved Funds undertaking activities and efforts in the aforesaid areas (as may be approved from time-to-time)

CSR Corpus

The CSR Corpus for the purpose of carrying on the aforesaid activities shall be arrived at on computation of Two Percent of the Average Net Profits calculated in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Any Income arising there from, and Surplus generated from CSR Projects undertaken by the Company shall be tracked and channelized into the CSR Corpus. These Funds shall be further used in development of the CSR Projects and shall not be added to the normal Business Profits. The CSR Committee shall recommend the Project-wise Annual Budgeted Expenditure to the Board for its consideration and approval. The CSR Committee shall monitor the Project Expenditure.

The Annual CSR Budget shall be spent on activities laid down in this Policy. CSR expenditure shall include all expenditure including contribution Projects / Activities as per the CSR Policy but does not include any expenditure on an item not in conformity with the CSR Policy.

Implementation

The Company shall strive to implement the aforesaid CSR Activities on its own to the extent possible. At the same time, the Board recognizes the need to work in partnership with other Agencies, Charitable Trusts specified under the CSR Rules. This would include:

- Collaborating with various organisations which are registered Trusts or Section 25 or Section 8 under the Companies Act or Registered Societies that specialise in the aforesaid CSR Activities.
- Collaborating or Pooling resources with other companies to undertake aforesaid CSR Activities.

Information dissemination

The contents of this Policy shall be disclosed in the Directors Report. This Policy shall also be disclosed on the website of the Company. The Policy will be reviewed on an annual basis, or as and when warranted due to Regulatory requirements.