

**CORPORATE SOCIAL RESPONSIBILITY POLICY OF
SHARRP VENTURES CAPITAL PRIVATE LIMITED (Formerly The Bombay Oil Private Limited)**

I. OBJECTIVE

The objective of this Policy document is to articulate Sharrp Ventures Capital Private Limited's ("Company") core philosophy of social responsibility, to define the areas and to indicate activities chosen by the Company to impact the society with its efforts towards Corporate Social Responsibility ("**CSR**") and to define the governance & monitoring framework for ensuring effectiveness of the Policy.

II. PHILOSOPHY

The Company believes that it belongs to an interdependent ecosystem comprising Shareholders, Associates, Employees, Government, Environment and Society and that it has a commitment to all these stakeholders. The Companies Act, 2013 has brought the concept of Corporate Social Responsibility in the limelight for all qualifying companies. The Company has adopted CSR as a strategic tool for sustainable growth. CSR means not only investment of funds for social activity but also integration of business processes with social processes.

While the Company has had a Philanthropic past and has been engaged in CSR activities voluntarily, the current CSR activities proposed to be undertaken is subjected to improve quality of life for all our communities through integrated and sustainable development in every possible way. The betterment of the society is not a job to be left to a few. It's a responsibility to be shared by all.

III. REGULATORY FRAMEWORK

The Companies Act 2013 together with the Rules notified thereunder as amended from time to time ("**Act**") and Schedule VII to the Act provides a framework for companies to define the key thrust areas in the CSR space. The law also guides companies to apply the scope as defined under Schedule VII liberally. Further, the Act also provides instructions on agencies eligible for implementation through which companies may spend its CSR Expenditure. The Act also mandates assessing the impact of the CSR projects in certain cases.

IV. CSR COMMITTEE:

In terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors of the Company ("**Board**") has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") comprising of two Directors, which shall assist the Board in the overall governance of the Policy and the CSR Programs. The Board will have an oversight on the adherence to this Policy, while the CSR Committee shall work under the superintendence and control of the Board.

V. IMPLEMENTATION:

Subject to the provisions of the Act as applicable from time to time, the Company may carry out its CSR activities:

- a. Either by itself; OR
- b. through such Implementing Agencies permitted under the Act; OR
- c. in collaboration with other Companies.

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including annual budget, planned expenditure and implementation schedule etc.

The preference for CSR activities shall be given the local areas where registered office of the Company is situated. However, this shall not bar the Company from pursuing its CSR activities in any other areas.

VI. RESPONSIBILITIES OF THE CSR COMMITTEE:

- Formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval;
- Formulate and recommend an Annual Action Plan (including any revisions thereto) to the Board for its approval;
- Identify projects of the Company as 'Ongoing Projects', if any;
- Recommend the annual CSR expenditure budget to the Board for approval;
- Review implementation of CSR activities of the Company within the applicable framework;
- Set monitoring mechanisms to track the progress of each project;
- Approve the disclosures which are part of the Annual Report.

VII. FREQUENCY OF THE MEETINGS OF THE CSR COMMITTEE:

The CSR Committee shall meet as per its discretion, in accordance with the requirements of the Act. Members of the CSR Committee can agree upon mutually regarding time and place for the said Meetings. The Members of the Committee may participate in the Meeting either in person or through video conferencing or other audio-visual means in accordance with the provisions of the Act.

VIII. ANNUAL ACTION PLAN

The CSR Committee shall on an annual basis recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- ii. the manner of execution of such projects or programmes;
- iii. the modalities of utilisation of funds for the projects or programmes;
- iv. monitoring and reporting mechanism for the projects or programmes; and
- v. details of need and impact assessment, if any, for the projects undertaken by the company.

Further, the Board may during the year, at the recommendation of the CSR Committee alter such plans.

IX. CSR EXPENDITURE & BUDGET

- a. CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR Programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework.

- b. In line with the requirements of the Act, Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.
- c. The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its Annual Action Plan. Within the Budget the allocation towards specific CSR initiatives will be approved by the CSR Committee of the Board.
- d. During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s), with the prior approval of the CSR Committee and the Board of Directors.
- e. The surplus, if any, arising out of the CSR projects shall be ploughed back either to the same project from which such surplus arose or be spent in accordance with the Annual Action Plan.
- f. Subject to the provisions of the Act, the Company may also utilise its CSR spend towards creation or acquisition of a capital asset.

X. MONITORING & IMPACT ASSESSMENT

- a. The monitoring mechanism to ensure effective implementation of the CSR Programs shall be two fold, namely:
 - i. For such projects having an outlay of Rs. 1 crore or more and a period of one year has elapsed since completion of such project, an Impact Assessment study shall be carried out by an independent agency. The report of such assessment shall be placed before the Board and shall also be annexed to the Annual Report on CSR. Additionally, the Company would also endeavour to obtain feedback from the beneficiaries about these Programs.
 - ii. The CSR initiatives / projects of the Company shall also be reported every year in the Annual Report of the Company.

XI. AREAS TO BE COVERED:

We intend to undertake all or any suitable activity as specified in Schedule VII to the Act, as may be modified by the regulatory authorities from time to time.

XII. POLICY REVIEW AND AMENDMENTS:

The CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs from time to time, on the subject matter. In any case, the CSR Committee shall review the Policy at its own discretion for making suitable amendments for better implementation of the Policy.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. This version of this Policy is effective from March 25, 2022.
