INOX CLEAN ENERGY LIMITED

Corporate Social Responsibility Policy

1. SHORT TITLE AND APPLICABILITY

1.1 This policy, which encompasses the philosophy of Inox Clean Energy Limited ("**Company**") for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large is titled as the '**CSR Policy**'.

1.2 This policy shall apply to all corporate social responsibility ("CSR") initiatives and activities to be undertaken by the Company.

1.3 This CSR Policy shall operate as the corporate social responsibility policy of the Company for the purposes of Section 135 of the Companies Act, 2013 and the rules made there under ("Act").

2. DEFINITIONS

2.1 "Administrative overheads" means the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

2.2 "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

2.3 "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligations 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.

Unless the context otherwise mentioned or requires, words or expressions contained in this Policy shall bear the same meaning as in the Act, rules or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

3. VISION AND OBJECTIVE

3.1 In alignment with vision of the Company, the Company through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

3.2 The objective of the CSR Policy is to:

3.2.1 Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

3.2.2 To directly or indirectly take up programmes that benefit the communities in and around its work centres and results, over a period of time, in enhancing the quality of life and economic well being of the local populace.

3.2.3 To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

4. CSR PROJECTS / PROGRAMMES

4.1 The Company proposes to serve the society by undertaking CSR projects/ programmes and proactively responding to the needs of the community preferably in the economic proximity of the Company's operations.

4.2 The Company proposes to adopt one or more of the following CSR projects/ programmes/ activities as prescribed by applicable laws, including Schedule VII of the Companies Act, 2013, as amended from time to time:

4.2.1 eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care) and sanitation (including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water;

4.2.2 promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

4.2.3 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;

4.2.4 ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

4.2.5 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 arts and handicrafts;

4.2.6 measures for the benefit of armed forces veterans, war widows and their dependents [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans and their dependents including widows];

4.2.7 training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;

4.2.8 contribution to the Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the Central Government for socio -economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

4.2.9 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 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 Defence 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);

4.2.10 rural development projects;

4.2.11 slum area development; and

4.2.12 disaster management, including relief, rehabilitation and reconstruction activities.

4.3 The CSR activities shall be undertaken within the territory of the Republic of India.

5. CSR COMMITTEE

5.1 The CSR policy and programs shall be implemented, managed and supervised by the CSR Committee of the Board of Directors of the Company ("CSR Committee").

5.2 The CSR Committee shall comprise at least of such number of directors as is mandatorily required by applicable laws.

5.3 The CSR Committee of the Company shall comprise of three or more Directors, of which at least one should be an Independent Director (if applicable as per law).

6. ROLES AND RESPONSIBILITIES OF THE CSR COMMITTEE

The CSR Committee shall:

6.1 Formulate and recommend to the Board a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company.

6.2 Recommend the amount of expenditure to be incurred on the activities.

6.3 Monitor the corporate social responsibility policy of the Company from time to time.

6.4 CSR Committee of the Board of Directors will play the role of the apex review body.

6.5 Effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy and reporting the same to the Board on a periodical basis.

6.6 The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy, which shall include the following, namely –

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

7. EXECUTION AND IMPLEMENTATION OF CSR ACTIVITIES

7.1 Every year, the Company shall with the approval of its Board of Directors make a budgetary allocation for CSR activities/ projects for the year. The budgetary allocation will be based on the profitability of the Company and the requirements of applicable laws.

7.2 The list of CSR activities which the Company undertakes shall be as specified under the Act and amendments thereof.

7.3 The Company may enter into partnerships with the government, business partners and communities to create multiplier effect of its social programmes.

7.4 The CSR Committee shall monitor the process of such projects or programmes on a quarterly basis as decided.

7.5 The statutory requirements for spending on CSR initiatives shall be one of the factors while determining the CSR programmes to be undertaken during any Financial Year. The CSR Committee of the Board will allocate funding based on the number of initiatives that are undertaken during the year which meet the requirements of this Policy.

7.6 The Company will focus on CSR initiatives that promote the areas identified in this Policy. The Company will give preference to the local area and areas around it where it operates. The Company will implement the chosen programmes via two channels:

7.7 The mode of implementation of CSR programmes will include a combination of direct implementation and / or through partners such as NGOs, trusts, academic institutions, business associates, registered societies etc. The Company will select its partners after appropriate due diligence.

7.8 The surplus arising out of the CSR activities or projects shall not form part of the business profit of the Company and shall be dealt with in a manner as mentioned under the Act.

8. EXECUTING AGENCY

8.1 If in the opinion of the CSR Committee, the implementation of CSR project requires specialised knowledge and skills and if the Company does not have such expertise in house, the wherewithal and dedicated staff to carry out such activities, the CSR Committee may decide to avail the services of external specialised agencies for the implementation of such CSR projects.

8.2 In the event an external agency is engaged for the purposes of the CSR initiatives of the Company, the Company will need to enter into an agreement with the relevant executing/implementing external agency setting out the terms and conditions of the engagement of the external agency.

9. GENERAL

9.1 A copy of this CSR Policy will be handed over to the Directors within one month of the date of the approval of this Policy by the Board of Directors. The Policy shall also be posted on the web-site of the Company and appropriate disclosures shall be made in the Annual Report of the Company as per law.

9.2 In case of any doubt with regard to any provision of this CSR Policy and also in respect of matters not covered herein, a reference should be made to the CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.

9.3 All provisions of the CSR Policy would be subject to revision/amendment in accordance with the applicable laws.

9.4 The Company reserves the right to modify, cancel, add, or amend this CSR Policy.