



**CORPORATE SOCIAL RESPONSIBILITY POLICY**  
**HPCL-MITTAL ENERGY LIMITED**  
**AND ITS GROUP ENTITIES**

Communities  
Society SocioEconomic Equality  
Art DrinkingWater CompaniesAct2013  
NGOs National RuralDevelopment SeniorCitizen  
TwoPercentOfAverageNetProfit Education CapacityBuilding  
CorporateSocialResponsibility Empowerment Contributions  
Welfare AirWaterEnvironment NaturalResources  
TrustHeritage fauna Sustainability Citizen Sports  
Flora Culture Citizen

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## REVISED POLICY OF HPCL-MITTAL ENERGY LIMITED AND ITS GROUP ENTITIES ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

### 1. Introduction

This policy, which encompasses the philosophy of HPCL-Mittal Energy Ltd. (**‘HMEL’** or **‘the Company’**) and its subsidiaries 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, is titled as the **‘HMEL CSR Policy’**.

This policy shall apply to all CSR initiatives and activities taken up at the various places within the country, for the benefit of the society. The CSR initiatives of the Company and its subsidiary would be implemented by HPCL-Mittal Energy Limited/ HPCL-Mittal Pipelines Limited / HPCL-Mittal Foundation, a non-profit organization set up under Section 8 of the Companies Act, 2013 (**‘Act’**).

### 2. Objective

The objective of this CSR policy is to lay down guidelines for proper functioning of CSR activities to attain sustainable development of the society and also to ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

### 3. Considerations of CSR policy

The approach of HMEL and its subsidiary towards CSR would be oriented to identify projects in response to identified societal needs in diverse areas and to implement/support them in a time bound manner. In cases where other agencies/ organizations are involved, approach would be to focus on collaboration and partnership.

In addition to the above, the HMEL CSR policy shall conform fully to Section 135 of the Act alongwith the Companies (Corporate Social Responsibility Policy) Rules, 2014 (**‘CSR Rules’**) as amended by Ministry of Corporate Affairs vide Notification no. G.S.R. 40 (E) dated January 22, 2021. Accordingly, this policy may be read with the relevant provisions of the Act and aforesaid Rules as amended from time to time.

### 4. Areas of operation

HMEL and its subsidiary shall implement its CSR initiatives across the country based on priorities of the community and developmental needs.

## 5. Scope of CSR activities

In accordance with the CSR Policy of the Company and the specified activities under the Act together read with CSR Rules and any amendment(s) thereof, the CSR activities of the Company would take into account all permissible activities under Schedule VII, to the Act (as amended from time to time) (Attached as Annexure 1)

Further, the CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company. In accordance with requirement of any long-term capital-intensive project, its implementation and ownership of asset would be preferably with HPCL Mittal Foundation, a section 8 company or the beneficiaries of the project or any public authority.

Any CSR activity done solely for the benefit of the employees of the Company will not be considered as a CSR activity unless specified by any suitable amendment/notification issued by the Ministry of Corporate Affairs. Further, contribution to any political party under section 182 of the Act will not be considered as a CSR activity.

## 6. Planning, implementation & monitoring of CSR activities

The CSR policy is broadly framed keeping in view the following considerations:

- Assist in socio-economic and educational development of various strata of people.
- Nurture communities for their well-being and for productive contribution in their development and upliftment.
- Become partners to the Central/State Government's, initiative wherever possible in the development of the community

## 7. Evaluation & impact assessment

The CSR activities undertaken by HMEL and its subsidiary will be reviewed on periodical basis by the respective CSR Committee and progress review report in respect of ongoing projects shall be submitted by the CSR Committee to the Board of Directors. CSR Committee shall regularly evaluate & make assessment of the CSR activities. It shall assess the requirement of funds, oversee the activities and finally the impact of activities carried out so as to make the entire CSR programme more effective.

## 8. CSR Reporting

A separate disclosure on the contents of the CSR policy in the prescribed format shall be provided in the Annual Report of HMEL and its subsidiary. In addition, the said contents of the policy of HMEL and its subsidiary on CSR, photographs, broad annual action plan etc. shall be hosted on the Company's website.

## **9. Allocation of funds**

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, HMEL and its subsidiary will allocate not less than 2% of the average net profits of the Company made during the three immediately preceding financial years, as its Annual CSR Budget. However, the same shall not be applicable, if there is absence of such profit.

From the annual CSR Budget allocation, a provision will be made under various project heads, on a year to year basis termed as annual action plan duly recommended by the CSR Committee and subsequently approved by the Board. In addition to the annual action plan, HMEL or such other entity will receive requests for funding of projects throughout the calendar year. The CSR team will evaluate and prioritise based on availability of funds and likely impact to the community. The CSR Committee will deliberate on the proposals and approve proposals for implementation at its discretion.

Any surplus arising out of any CSR projects or programs or activities shall not form part of the business profit of the Company.

## **10. Coordinator**

Human Leadership Department shall be the coordinator of CSR activities in the company.

## Annexure I

### Extract from Schedule VII of the Companies Act, 2013 enumerating the broad list of permissible CSR activities which may be undertaken by HMEL & its' subsidiaries\*

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- (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 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 arts and handicrafts;
- (vi) Measures for the benefit of armed force veterans, war widows and their dependents;
- (vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief 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;
- (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) Rural development projects.
- (xi) Slum area development (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.

*\*The above items, also listed in the Schedule VII of the Companies Act, 2013 are broad based and HMEL and its subsidiary may undertake a wide range of CSR activities which falls under the purview of such Schedule VII, amended from time to time and/ or allowed by MCA through its notification(s), rule(s), circular(s) and clarification(s).*

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