

FS Green Energies Private Limited

Corporate Social Responsibility (CSR) Policy

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1.Preamble

At Future Solar Private Limited (“FS Green Energies Private Limited” or “the Company”), we believe that business success is meaningful only when it benefits society and safeguards the planet for future generations. Our operations are rooted in renewable energy — a sector that inherently contributes to environmental sustainability. However, our responsibility extends beyond our business boundaries. We aim to actively address pressing social, environmental, and economic challenges, particularly in underserved and energy-poor communities.

This CSR Policy is framed in accordance with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and amendments thereof. It defines our guiding principles, implementation strategies, and monitoring mechanisms for impactful and sustainable CSR initiatives.

2.CSR policy objectives

Drawing from the CSR vision and mission statement of FS Green Energies Private Limited the CSR policy has been formulated with the following objectives:

- Serving the community: Giving back to the community and addressing their needs is a key priority for the company. The company believes that the progress of the local community should go hand-in-hand with the growth of the company. The company therefore intends to concentrate on the communities immediately around its areas of operation and support their upliftment.
- Focus on quality: The Company believes in delivering high quality support to meet the needs of the community.
- Ensuring sustainability: The Company wishes to introduce interventions in the communities that address critical needs and can become sustainable over a period of time.
- Leveraging resources: Leveraging the company’s internal resources such as research, marketing, financial, human resources and products to maximise impact in social initiatives.

3.Our CSR Philosophy

The company intends to undertake its corporate social responsibility in a strategic manner. The company will leverage its financial and human resources, networks and expertise to create maximum impact for its stakeholders., we aim to:

- Empower communities with solutions that improve livelihoods, education, and health.
- Protect the environment by promoting renewable energy adoption and climate resilience.
- Promote equity by focusing on marginalized groups, including women, tribal communities, and the differently-abled.
- Our CSR approach blends innovation, partnership, and sustainability, ensuring that projects are not just charitable gestures but catalysts for lasting change.

4. Definitions

- a. In this Policy, unless the context otherwise requires:
- b. “Act” shall mean the Companies Act, 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
- c. “Samanvay Foundation” means a Trust formed and registered under the Indian Trusts Act, 1882 and duly approved under Section 80G of the Income Tax Act, 1961, either solely by the Company or jointly with its Group Companies.
- d. “Agency” (or “Agencies”) means any Section 8 Company or a registered Trust / Society / NGO / Institution, performing social services for the benefit of society, and excluding a registered Trust / Society / NGO / Institution / Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.
- e. “Approved Budget” shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
- f. “Board” shall mean the Board of Directors of FS Green Energy Private Limited.
- g. “Company” shall mean FS Green Energy Private Limited and, wherever the context requires, shall signify the Company acting through its Board.
- h. “CSR Annual Plan” shall mean the annual plan detailing the CSR expenditure for the year.
- i. “CSR Committee” shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors, out of which at least one director shall be an independent director (if applicable as per the Act).
- j. “CSR Expenditure” means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR Committee, including the following:
 - i. Contribution to CSR Projects which shall be implemented and/or executed by the Company;
 - ii. Contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by Samanvay Foundation and/or any other eligible implementing partners;
 - iii. Any other contributions covered in areas or subjects specified under Schedule VII to the Act. Contribution of any amount directly or indirectly to any political party under Section 182 of the Act, shall not be considered as CSR Expenditure.

- k. “CSR Officer” shall mean the whole-time person engaged by the Company for activities envisaged in the CSR Policy, having due comprehension, understanding, drive, and passion for such activities, and designated as such.
- l. “CSR Policy” shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company [areas or subjects] as specified in Schedule VII to the Act and the CSR Expenditure thereon.
- m. “CSR Projects” or “Projects” means Corporate Social Responsibility projects / activities / programs / initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company. Projects / activities / programs / initiatives undertaken in pursuance of the normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.
- n. “Financial Year” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- o. “Group Companies” means holding, subsidiaries, and associates of the Company.
- p. “Net Profit” shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.
- q. “Rules” shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any re-enactment, modifications, or amendments thereof.
- r. “Thrust Areas” shall have the meaning as ascribed to them under provision G of this Policy.
- s. “Trust” means a Trust created and registered under the Indian Trusts Act, 1882 by the Company and includes a Trust jointly created and registered by the Company with its Group Companies, and duly recognized under Section 80G of the Income Tax Act, 1961.

5. Governance Structure

Board of Directors Corporate Social Responsibility Committee CSR Management Committee



Section 135 of Companies Act, 2013 mandates every company having a net worth of Rs. 500 Crore or more or turnover of Rs. 1,000 Crore or more or net profit of Rs. 5 Crore or more during the immediately preceding financial year to constitute a Corporate Social Responsibility (CSR) Committee. The CSR Committee of the Board is responsible to formulate and recommend to the Board the CSR Policy indicating the activities falling within the purview of Schedule VII to the Companies Act, 2013, to be undertaken by the Company, to recommend the amount to be spent on CSR activities presented by the CSR Management Committee and to monitor the CSR Policy periodically. The CSR Management Committee will be supported by the identified volunteers from the employees made up of cross-functional team, for implementation of the approved projects.

6. CSR Committee

The CSR Committee will be responsible for the following:

To recommend to the Board the Annual Plan and Projects of the Company relating to CSR activities, the manner in which such programs or projects shall be executed, the modalities of utilization of funds and implementation, monitoring and reporting mechanism and details of impact assessment.

Recommending the amount of expenditure to be incurred on the activities referred above. Monitoring the Corporate Social Responsibility Policy of the company on a regular basis, ensuring that it is updated for any change or enhancement in scope and the same is recommended to the board for approval.

Defining the modalities and monitoring the progress of the activities being undertaken under the policy.

6.1 Board of Directors

The Board of Directors will be responsible for the following:

- a. Approve causes that the company proposes to support, programs to be undertaken by the company, modalities of operation and the Annual budget for the activities.
- b. Ensure that activities included by a company in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Companies Act, 2013
- c. Ensure that the activities included in Corporate Social Responsibility Policy of the company are undertaken by the Company
- d. Ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of this policy
- e. The Board's Report issued under clause (o) of sub-section (3) of section 134 shall include an annual report on CSR containing particulars specified in Annexure to the CSR Rules.
- f. If the company fails to spend such amount, specify the reasons for not spending the amount in its annual report mentioned above.
- g. To approve the Annual Plan and Projects of the Company relating to CSR activities the Annual Plan and Projects of the Company relating to CSR activities, the manner in which such programmes or projects shall be executed, the modalities of utilization of funds and implementation, monitoring and reporting mechanism and details of impact assessment.

6.2 Project Execution

- a. CSR Team shall prepare and propose the CSR plan with the implementation modalities and schedules to the Board.
- b. CSR Team shall appraise the Board on the status of the CSR Projects from time to time.
- c. CSR Team will set-up a monitoring mechanism for effective implementation of the CSR projects, programmes or activities undertaken by the Company.

7. Focus Areas for CSR Activities

CSR projects shall be undertaken in line with **Schedule VII of the Companies Act, 2013**, with a special emphasis on areas that complement our renewable energy focus.

7.1 Renewable Energy & Climate Action

- Solar electrification of rural households, schools, and health centres.
- Solar irrigation systems for small and marginal farmers.
- Solar-powered community cold storage for agriculture and healthcare.
- Awareness campaigns on climate change and clean energy adoption.

7.2 Education & Digital Empowerment

- Setting up solar-powered digital classrooms in rural and tribal schools.
- Scholarships for students from marginalized backgrounds, especially in STEM and green technology fields.
- Vocational training in solar installation, maintenance, and green entrepreneurship.

7.3 Healthcare & Sanitation

- Solar-powered water purification and sanitation facilities in rural areas.
- Mobile medical vans equipped with renewable energy solutions.
- Awareness drives on nutrition, preventive healthcare, and hygiene.

7.4 Environmental Sustainability

- Afforestation, biodiversity conservation, and eco-restoration projects.
- Waste management and recycling initiatives, including e-waste.
- Rainwater harvesting and natural resource conservation.

7.5 Community Development

- Electrification of community spaces using solar energy.
- Livelihood enhancement programmes for women and youth.
- Renewable energy support during natural disasters for relief and rehabilitation.

8. Implementation Framework

CSR Projects will be undertaken based on the recommendation of the CSR Committee and to the maximum possible extent within the defined Focus / Thrust Areas of the Company.

The Board shall ensure that CSR activities are undertaken either directly by the Company or through any of the following eligible implementing agencies:

- a. Samanvay Foundation, a Public Charitable Trust registered under the Indian Trusts Act, 1882 with 80G approval, established by the Company and/or its Group Companies; or
- b. a company established under Section 8 of the Act, or a registered public trust or registered society, registered under Section 12A and 80G of the Income Tax Act, 1961, established by the Company, either singly or jointly with any other company; or
- c. a company established under Section 8 of the Act, or a registered trust or registered society, established by the Central Government or State Government; or
- d. any entity established under an Act of Parliament or a State Legislature; or

e. a company established under Section 8 of the Act, or a registered public trust or registered society, registered under Section 12A and 80G of the Income Tax Act, 1961, with an established track record of at least three years in undertaking similar CSR activities.

- Every implementing agency, as specified above, shall register itself with the Central Government by filing the Form CSR-1 electronically with the Registrar of Companies, with effect from 1st April 2021, and obtain a unique CSR Registration Number.
- Provided that this requirement shall not affect CSR projects or programmes approved prior to 1st April 2021.
- The Company may also engage reputed international organisations for designing, monitoring, and evaluation of CSR projects or programmes as per the CSR Policy, and for capacity building of its personnel involved in CSR.
- FS Green Energy Pvt. Ltd. may collaborate with other companies (including Group Companies) for undertaking CSR projects or programmes, provided that the CSR Committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Act and CSR Rules.
- The Board of FS Green Energy Pvt. Ltd. shall ensure that CSR funds disbursed are utilised for the purposes and in the manner approved by it.
- The CSR Committee shall provide guidance to the Board on the allocation of the CSR budget among the Thrust Areas on an annual basis, in alignment with the Company's CSR Policy and long-term sustainability vision.
- In case of ongoing projects, the Board of FS Green Energy Pvt. Ltd. shall monitor implementation with reference to approved timelines and year-wise allocations. The Board shall be empowered to make modifications, if required, to ensure smooth and effective implementation within the overall permissible time period as defined under the Act and CSR Rules.

9. Annual Action Plan

The Annual action plan will be formulated by the CSR Committee and the same will be recommended to the Board. The annual action plan in pursuance of its CSR policy, shall include the following, namely: -

- a. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b. The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- c. the modalities of utilization of funds and implementation schedules for the projects or programmes;
- d. monitoring and reporting mechanism for the projects or programmes; and
- e. details of need and impact assessment, if any, for the projects undertaken by the company;

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect. The plan may be modified mid-year with Board approval, based on emerging needs.

10. Budget, Allocation and CSR Expenditure

a. For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% or more of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

b. The Board shall ensure that the administrative overheads shall not exceed five percent (5%) of the total CSR expenditure of the Company for the financial year.

c. Any surplus arising out of CSR activities shall not form part of the business profit of FS Green Energy Pvt. Ltd. and shall be either:

- ploughed back into the same project, or
- transferred to the Unspent CSR Account and spent in pursuance of the CSR Policy and Annual Action Plan of FS Green Energy Pvt. Ltd., or
- transferred to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

d. Any amount remaining unspent pursuant to any ongoing project, undertaken by FS Green Energy Pvt. Ltd. in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the Company within a period of 30 days from the end of the financial year to a special account to be opened by the Company 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 by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer. Failing this, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

e. In case FS Green Energy Pvt. Ltd. spends an amount in excess of at least 2% of the average net profits of the Company made during the three immediately preceding financial years (as per sub-section (5) of section 135 of the Act), such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to the immediate succeeding three financial years, subject to the conditions that –

i. The excess amount available for set-off shall not include the surplus arising out of CSR activities, if any, in pursuance of sub-rule (2) of Rule 7 of the Companies (Corporate Social Responsibility) Amendment Rules, 2021.

ii. The Board of the Company shall pass a resolution to that effect.

f. The CSR amount may be spent by FS Green Energy Pvt. Ltd. for creation or acquisition of a capital asset, which shall be held by –

- a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or Samanvay Foundation (a Trust registered under the Indian Trusts Act, 1882 with 80G approval); or the beneficiaries of the said CSR project, in the form of self-help groups, collectives, or community-based entities.
- The Company shall allocate at least 2% of the average net profits of the preceding three years towards CSR.
- Administrative overheads will not exceed 5% of the total CSR expenditure.
- Excess spending, if any, may be carried forward as per applicable provisions.
- Surplus generated from CSR activities will be reinvested in CSR projects and will not form part of the business profits.

11. Monitoring Process

For each of the programs, the standard monitoring and evaluation framework would be developed.

The CSR team would submit monthly performance reports in the format and manner that has been agreed at the beginning of the project execution.

The CSR team will review the reports and engage with the implementing agency, if required to ensure that the programs are on track. The CSR team will submit a quarterly report to the CSR Committee which in turn will submit it to the Board. The report will cover –

- Progress of each program vis-à-vis the timelines, plan and budget
- Beneficiaries covered
- Performance of the external partners
- Problems encountered and solutions if implemented
- Estimated amount that will be spent till the end of the year.

The CSR Team will review the progress at least once in 3 months and provide the Board with a report on the CSR initiatives. The Committee will also review the CSR policy and ensure that it is current and relevant. Changes, if any, will be placed before the Board of Directors for approval.

11.1 Impact assessment

FS Green Energy Pvt. Ltd. shall conduct Impact Assessment for measuring specific metrics and its comparison with the baseline metrics as a process of field assessment and shall carry on Impact assessment, through an independent agency, of their Completed CSR projects and shall comply with Section 135 of the Act and the CSR Rules prescribed.

11.2 Communication and reporting

The Company will ensure that it communicates program details and social impact created for the upliftment of the community. CSR program details would be communicated in the public domain through the annual report in the reporting format as mandated by Section 135 of the Companies Act, 2013.

12. Activities Not Considered as CSR

The following will not qualify as CSR expenditure:

- Projects undertaken in the normal course of business.
- Activities outside India (except permitted multi-lateral initiatives).
- Contributions to political parties.
- Projects benefiting only employees and their families.
- One-off events (e.g., sponsorships, awards, marketing activities).
- Compliance-related statutory expenses.

13. Review & Amendment

The CSR Committee will periodically review this, Policy. Any amendments will be recommended to the Board for approval, especially in response to:

- Changes in applicable laws and rules.
- Emerging community needs.
- Strategic shifts in the Company's CSR approach.

14. Transfer of Unspent CSR Amount

Until a fund is specified in Schedule VII for the purposes of subsection (5) and (6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

15. Conclusion

Sun Pharmaceutical Industries Limited is committed to ensuring the implementation of the proposed CSR programs in order to bring meaningful and sustainable development of underserved communities. The company will leave no stone unturned in ensuring that it contributes to the society, which is an integral stakeholder for it.

16. Applicability

This CSR Policy has been approved by the Board of Directors of FS Green Private Limited at its meeting held on **30th May** and is effective from **30th May**.