



BHAGYANAGAR GAS LIMITED

(A joint venture of GAIL (India) Ltd & Hindustan Petroleum Corporation Ltd)

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. CSR POLICY

- 1.1 Policy incorporates the BGL's philosophy for demarcating its responsibility as a corporate citizen and lay down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.
- 1.2 This policy shall apply to all CSR initiatives and activities taken up across the Company for the benefit of different segments of the society.
- 1.3 The implementation of this policy will be in line with the guidelines formulated by the Company (Corporate Social Responsibility Policy) Rules.

2. CSR Vision Statement

In accordance with vision of the company, its CSR initiatives will supplement its contribution in environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development through its service, conduct and social initiatives.

3. Objectives:

The objectives of CSR Policy is to:

- a. Integrate business functions, goals and strategy with planned community development agenda.
- b. Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while protecting the interests of all its stakeholders.
- c. To develop an integrated and sustainable social responsibility programme for the community.
- d. To play a major role in transforming society through education, health and environment awareness.
- e. To behave ethically and contribute in economic development while improving the quality of life of our local community and society at large.

4. CSR Committee:

Independent Director(Chairman of CSR)

Managing Director, BGL

Director Commercial cum C.F.O, BGL

The roles/responsibilities of the CSR Committee include:

- I. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013.

- II. Recommend the amount of budgeted expenditure to be incurred on the activities referred to in clause (I) above.
- III. Monitor the Corporate Social Responsibility Policy of the company from time to time
- IV. Suggest CSR activities to CSR working Committee Members which align with corporate vision.
- V. Review half yearly the CSR activities and expenditure vs Budget for midcourse corrections, if any.

5. Financial Resources

In alignment with the Companies Act 2013, BGL shall earmark as CSR budget, at least 2% of its average of net profit made during the three immediately preceding financial years.

6. CSR Focus Areas

CSR focus areas are inspired by national development policies and international commitments of nations for development of children, women and weaker sections. Accordingly, annual CSR Budget allocation shall be used in projects/programs/activities in one or more of the following areas:-

- i. Health camps
- ii. Sanitation
- iii. Safe drinking water:
- iv. Education
- v. Sports
- vi. Environment protection
- vii. 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;

7. Implementation:

CSR programmes will be undertaken to the best possible extent within the ambit of the identified thrust areas approved by the CSR committee

It is desirable that most of the CSR activities are carried out in areas of company's operations.

However in exceptional cases such as natural calamities, rural development in proposed expansion areas etc. not more than 30% of the budget to be spent outside the geographical areas.

8. Monitoring and Feedback

- a) To ensure effective implementation of the CSR programmes undertaken, a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities will be undertaken.
- b) Halfyearly progress report to be submitted to the Board.
- c) It will be ensured through sustainable programmes that the Company acts to bring about a change in the community.
- d) Site Visits.
- e) Appropriate documentation evidence photographs, videos.
- f) To publish a booklet on the CSR activities undertaken by the Company on annual basis.

9. Reporting

An Annual Report on CSR containing details about the CSR policy and programmes implemented by BGL shall be included in the Board of Directors' Report for every FY, as per the format prescribed under the Rules to Section 135 of Companies Act, 2013.

Composition of the BGL CSR Committee will be included in the Annual Report on CSR and also displayed on the BGL's website.
