

SHUBHSHREE BIOFUELS ENERGY LIMITED

(Formerly Known as Shubhshree Bricks Pvt. Ltd.)

Reg.Address: Plot No. 8, Ganesh Vihar B, Pandit T.N. Mishra Marg,
Nirman Nagar, Shyam Nagar, Jaipur - 302019, Rajasthan, India.

Contact No: 9799 998 880 | **E-Mail:** shubhshree@biomassfuel.co.in
Website: shubhshreebiofuels.co.in

POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. PREAMBLE

In accordance with Section 135 of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014, and Schedule VII of the Companies Act, 2013, Shubhshree Biofuels Energy Limited (Formerly known as Shubhshree Biofuels Energy Private Limited and Shubhshree Bricks Private Limited) ("Company"/"Shubhshree") is required to frame a Corporate Social Responsibility Policy (Policy). Accordingly, the Board of Directors (the Board) of the Company has approved and adopted this Policy. The Policy reflects our commitment to environmental stewardship, rural livelihood enhancement, and community welfare.

2. OBJECTIVE AND SCOPE

a) Objective

The primary objective of this CSR Policy is to establish clear guidelines for Shubhshree Biofuels Energy Limited (the "Company") to prioritize and implement meaningful CSR initiatives, particularly aligned with its core operations in biomass pellets and briquettes manufacturing. The Company is committed to contributing positively to the environment and local communities, with a focus on sustainable development through programs and initiatives that shall be in alignment with Schedule VII of the Companies Act, 2013 (as amended), and support the Company's broader vision of sustainable industrial growth.

b) Scope & Coverage

The CSR activities of the Company shall include, any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the CSR Policy is applicable on the Company w.e.f. April 1, 2025 and Company will review the sectors/activities from time to time and make additions/deletions/clarifications to the above sectors/activities.

3. DEFINITIONS

"Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof and includes any Rules framed thereunder, as the case may be in respect to the reference made in the provisions under this Policy;

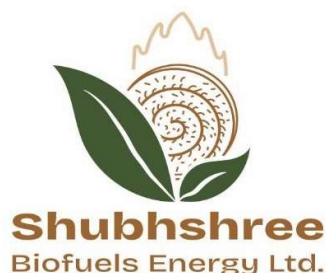
"Board of Directors" or "Board" means the collective body of the Directors of the Company;

"Company" shall mean Shubhshree Biofuels Energy Limited;

"CSR" means Corporate Social Responsibility;

"CSR Rules" means Companies (Corporate Social Responsibility Policy) Rules 2014 and amendments thereon.

"CSR Policy" means CSR Policy of Shubhshree Biofuels Energy Limited.



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“CSR Expenditure” means the amount approved by the Board to be incurred on the CSR Activities in terms of the Act and the CSR Rules from time to time.

“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.

“NGO” means non-governmental organization

“Administrative overhead” means the expenses incurred by the Company for the “general management and administration” of Corporate Social Responsibility functions of 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.

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the company.

4. CSR COMMITTEE

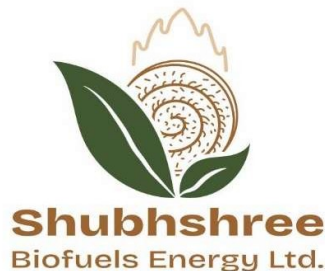
a) Applicability

As per Section 135(9) of the Companies Act, 2013, the Company’s CSR expenditure in financial year 2025-26 does not exceed Rs. 50 Lakhs, it is not required to constitute a separate CSR Committee. Accordingly, the functions of the CSR Committee will be undertaken directly by the Board of Directors.

b) Responsibilities of the Board (in lieu of CSR Committee)

The Board will discharge the following duties in accordance with Sections 135 of the Act, and the CSR Rules:

- **Policy Formulation & Approval:** Formulate and approve the Company’s CSR Policy, ensuring it aligns with Schedule VII activities and Shubhshree’s focus areas.
- To ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy;
- **CSR Budget & Planning:** Determine and approve the annual CSR allocation and project-wise expenditure.
- **Project Selection & Oversight:** Select appropriate CSR projects individually or in collaboration with NGOs/Section-8 companies/Government entities and define implementation modalities and timelines.



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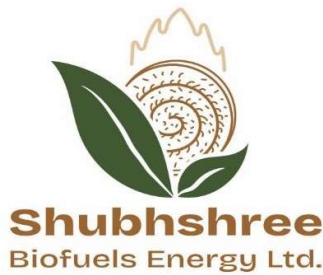
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- **Fund Utilisation:** Oversee that the approved CSR budget is spent appropriately and in accordance with statutory norms.
- **Monitoring Mechanism:** Create transparent monitoring mechanism for implementation of CSR initiatives in India.
- Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- Ensure that the CSR Policy, expenditure details, project activities, and explanations for any shortfall are transparently disclosed in the Board's Report and published on the Company's website.
- Approve transfer of unspent CSR Amount in accordance with the law.

5. CSR ACTIVITIES

The Company shall undertake any of the following Activities/Projects or such other activities/ projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

- 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
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 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.
- 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.
- 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 art and handicrafts.
- 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];
- training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.



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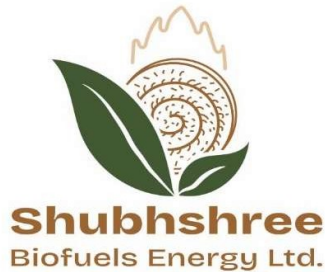
- contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (a) 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
(b) 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 Defense 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).
- rural development projects
- slum area development.
- disaster management, including relief, rehabilitation and reconstruction activities.

The following shall not be covered under the scope of CSR activities:

- Amount spent for the benefit of the employees of the company and their families;
- Contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- Expenditure made on any other activities pursued in the normal course of business;

6. CSR EXPENDITURE:

- The Board of the Company shall ensure that the Company spends, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years.
- If the Company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount and unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by the Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from



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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 within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

- Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be dealt with in a manner specified as below:
 - a. ploughed back into the same project; or
 - b. shall be transferred to the Unspent CSR Account (if any) opened by the Company, from which the said amount shall be spent in pursuance of CSR policy and annual action plan of the Company; or
 - c. such surplus will be transferred to a Fund specified in Schedule VII of the Act, within six months of the expiry of the financial year.

7. ANNUAL ACTION PLAN (AAP) AND LOCATION OF CSR EFFORTS

The Board of Directors shall formulate an annual action plan which shall include the following:

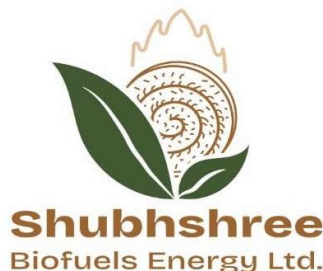
- a) the list of CSR projects or programmes that are approved and to be undertaken by the company;
- b) the manner of execution of such projects or programmes;
- c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, based on the reasonable justification for such change.

8. MODE OF IMPLEMENTATION

CSR programs, projects or activities of the company should be implemented through following methods:

- i. Directly by the company;
- ii. Implementing Agencies as under:-
 - a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c) any entity established under an Act of Parliament or a State legislature; or



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- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The Company shall ensure that entity mentioned above and through whom it intent to undertake any CSR activity are registered with the Central Government by filing the form CSR-1 electronically with the Ministry of Corporate Affairs.

- iii. The company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality to directly undertake approved CSR projects with the help and support of these bodies.

While undertaking any project or program through external agencies or Trusts or organizations, the Company will undertake due diligence to evaluate such organization's reputation, track record, capacity and competency, including organization structure, requisite permits and licenses, presence in desired geography and compatibility with the CSR Policy and satisfy itself that the entities in the list of eligible entities through which the company shall undertake the CSR Project or Programme are registered with the Central Government as required under the CSR Rules in this behalf.

9. MONITORING PROCESS

The Board of Directors will monitor all CSR projects/programmes. For this purpose, the Board will take note of project wise status of project completion and funds utilization and to compare with budgeted funds and time lines.

10. DISCLOSURE AND REPORTING

The CSR Policy will be displayed on the Company's website i.e www. shubhshreebiofuels.co.in. An annual report on CSR containing the prescribed particulars under the CSR Rules shall form part of the Board's Report of the Company. The Company will also upload projects approved by the Board on its website.

11. REVIEW AND AMENDMENT:

The Board of Directors may make any changes/modifications and/or amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and of the Act or any other statutory enactments, rules, the provisions of such Act or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

Note: Approved in the Board Meeting held on August 25, 2025.