

**Bangalore Elevated Tollway Pvt. Ltd.**  
**Corporate Social Responsibility Policy**

Amended in the Board Meeting dated June 16, 2021

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## 1. Preamble

As a conscientious corporate citizen, Bangalore Elevated Tollway Private Limited ("BETPL") recognizes its role and responsibility to address some of country's most pressing challenges relating to education, health, equality, environment, rural sports, rural development, socio economic development and access to various facilities for a decent living of mankind.

We are committed to enable people and technology to drive innovation, disseminate knowledge, and create shared value to improve lives. This is our corporate social responsibility philosophy (CSR).

Our CSR is strongly connected with the principles of sustainability; an organization should make decisions based not only on financial factors, but also considering the social and environmental consequences. As a corporate citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, medicines etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies and so on. It is the company's intent to make a positive contribution to the society in which the company operates. Being a responsible corporate citizen, BETPL aims to lead the path not only in its services, but also via sustainability and CSR initiatives. BETPL remains committed to responsibly and ethically to maintain the trust of its customers, its employees and other stakeholders.

## 2. Purpose

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Company is, inter alia, required to:

- i. Constitute a Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- ii. Ensure that the Company shall spend, in every financial year, at least two per cent of the average of the Net Profits before Tax (PBT) of the Company made during the three immediately preceding financial years, in pursuance of its CSR Policy.
  - The main objective of this CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development of the society and the environment in which the Company operates;

- This Policy specifies the CSR Programmes/ Projects that can be undertaken, provides an indicative list of CSR Programmes/ Projects in terms of the Schedule VII to the Companies Act, 2013;
- Establishing a guideline for complying with the provisions of the regulations and to dedicate a percentage of Company's profits for social projects;
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedure and reporting;
- Serve as a guiding document to help execute and monitor CSR projects;
- Elucidate criteria for partner implementation agencies, if any;
- Explain the manner in which the surpluses from CSR projects will be treated;

### 3. Scope of CSR activities in BETPL

As a practice, we classify only those projects that are over and above our normal course of business as CSR. This policy applies to all our CSR projects and it will be further reviewed and updated.

### 4. CSR Programmes/ Projects

Schedule VII to the Companies Act, 2013 lists down the activities which may be included by Companies in their corporate social responsibility policies including modification amendments, circular and notification thereof. The said activities relates to CSR are as follows;

SR. No.	CSR activities
(i)	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.
(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 art and handicrafts;
(vi)	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;
(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 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;
(ix) (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)
(x)	Rural development projects
(xi)	Slum area development.  For the purposes of this item, the term `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
(xii)	Disaster management, including relief, rehabilitation and reconstruction activities.

The BETPL shall spend on CSR Programs and Projects among any of the activity as stated in aforesaid table.

**5. Implementation**

The Company will adopt an evolving approach for effective, outcome-oriented implementation, as appropriate to the size of budget outlay and scope of projects through any of the following or a combination of these mechanisms.

- I. **In-house management:** The Company's CSR Programmes may be implemented through a Trusts, Societies and Section 8 Company that may be established by the Company or be a member of a Trusts, Societies and Section 8 Company from time to time as and when deem fit. A set of personnel from relevant departments shall oversee the implementation of CSR policy duly approved by the Board. A fulltime dedicated CSR manager may be appointed as and when required. An expert consultant may be engaged for integrated project design, partnership development and programme management and monitoring purposes.
- II. **Implementation partnerships/Agencies:** Company may implement CSR Programmes/ Projects in collaboration or partnership/s with credible (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, 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 (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 may directly purchase goods or services for deployment in its CSR Programmes/Projects and the overall implementation would be through funding support to NGO partner/s for ensuring community participation and ownership for sustainable outcomes.

Once the project/program is approved by the Board as recommended by its CSR Committee, Company and CSR Implementing agency/Partner may enter into a Memorandum of Understanding (MOU).

The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

If Board deem it as necessary, Company may consider creating a new independent foundation for the implementation purpose.

## **6. Impact Assessment of CSR Programmes/Projects**

Every Company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

If the Company fulfills aforesaid requirement of impact assessment in any financial year, the Company shall undertake impact assessment of its CSR projects as per the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.

## **7. Corporate Social Responsibility Committee Members**

The Corporate Social Responsibility Committee ('CSR Committee') shall consist of three or more Directors, the members of Corporate Social Responsibility Committee shall be decided by the Board from time to time.

(Upon appointment or cessation of Directors committee members may be reconstituted)

Whereas, as per sub-section (9) inserted by Companies (Amendment) Act, 2020 provides that where the amount to be spent by a company does not exceed fifty lakh rupees in a year, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee shall be discharged by the Board of Directors of such company.

The Company may disband/ suspend the CSR Committee of the Company in any financial year when its total amount required to be spent u/s 135(5) in a year is less than Rs. 50 lacs.

## **8. Meetings**

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

## **9. Role & Responsibilities**

- To formulate, recommend and update our CSR Policy, which will be approved by the Board of BETPL;
- To formulate and recommend to the Board, an Annual Action Plan;
- Suggest areas of intervention to the Board;
- Approve projects that are in line with the CSR policy;
- Put monitoring mechanisms in place to track the progress of each project
- Recommend the CSR expenditure to the Board for their approval;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time;
- The details of CSR Programmes/Project shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website.

## **10. CSR Budget - CSR Annual Action Plan (CAAP)**

The CSR Committee shall formulate and recommend to the Board of Directors, a CAAP in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism, etc.

The Board of Directors may approve the CAAP with such further conditions as it deems fit and further alter CAAP at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

The Annual Action Plan shall include the following:



- 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 utilisation 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 Company shall spend, 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 (calculated as per Section 198 of the Act), towards CSR activities;

Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities. CSR Projects or Programs or activities undertaken in India only shall amount to CSR Expenditure.

## **11. Treatment of Surplus and unspent amount**

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

In case, Company spends an amount in excess of requirement provided under subsection (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years provided the excess amount available for set off shall not include the surplus arising out of the CSR activities and the Board of the Company shall pass a resolution to that effect.

### **Unspent: For ongoing Project**

Any amount remaining unspent under sub-section (5) of Section 135 of Companies Act, 2013, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the Company within a period of thirty 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 Corporate Social Responsibility Policy 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.

### **Unspent: For one time Project**

Such unspent amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of six months of the expiry of the financial year to a Fund specified in Schedule VII.

## **12. Monitoring Review and Evaluation Mechanisms**

Monitoring and Evaluation Mechanisms include the following, one or more of which shall be implemented based on the size, quantum and tenure of the CSR programmes:

- The Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
- In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- Feedback would also be obtained and documented from the beneficiaries about the programmes and need to report at Head office, as and when required.
- Implementing agency/Partners would be required to report narrative as well as financial updates on a regular interval in the format mutually decided, if any.
- The Company shall obtain a certificate/confirmation from implementing agency/Partners as and when basis certifying that the allocated CSR fund has been spent only for the CSR programmes/Projects.
- The Chief Financial Officer, if appointed or the person responsible for financial management shall in every financial year certify that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and such certificate will be placed before the CSR Committee and the Board Meeting.

The CSR Committee has the powers to monitor and implement report from the Organizations where funds are invested.

### 13. Information dissemination

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.

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**Note:**

*Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government, from time to time.*

*The Company reserves the right to modify, cancel, add, or amend any of these Rules from time to time.*