

APPROVED VIDE 194/16..MEETING OF BOARD OF DIRECTORS DT 21/05/2015.

CORPORATE SOCIAL RESPONSIBILITY POLICY



बिहार राज्य पुल निर्माण निगम लिमिटेड
7, सरदार पटेल मार्ग, पटना-15

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• **NAME:**

The Policy is called the "BRPNL- Corporate Social Responsibility (CSR) Policy"

• **CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY:**

Bihar Rajya Pul Nirman Nigam Limited strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. The company through its CSR initiatives will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate.

• **POLICY OBJECTIVE:**

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring for the CSR activities to be undertaken by the Company.

• **DEFINITIONS:**

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility policy) Rules, 2014 including any statutory modifications or re-enactments thereof.

1. "Act" means the Companies Act, 2013 including any statutory modification or re-enactment thereof.
2. "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation: Significant influence means control of at least 20% of total share capital or of business decisions under an agreement.

3. "Board" means the Board of Directors of the Company.
4. "Company" means BIHAR RAJYA PUL NIRMAN NIGAM LIMITED
5. "Corporate Social Responsibility (CSR)" means and includes but is not limited to
 - a) Projects or programs relating to activities specified in Schedule VII to the Act; or

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- b) Projects or programs relating to activities undertaken by the Board of Directors of a Company in pursuance of recommendations of the CSR Committee of the Board as per declared CSR policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.
6. "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
7. "CSR Policy" relates to the activities to be undertaken by the company as specified in the Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company
8. "CSR Rules" means Companies (Corporate Social Responsibility Policy) Rules, 2014.
9. "Holding Company" means a Company within the meaning of section 2(46) of the Companies Act, 2013.
10. "Net profit" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely -
- (i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
 - (ii) any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act.
11. "Subsidiary Company" means a Company within the meaning of section 2(87) of the Companies Act, 2013.

• **LIST OF ACTIVITIES/PROJECTS:**

The Company may 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"):

- a. Eradicating hunger, poverty and malnutrition, promoting 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;
- b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

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- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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;
- e. 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;
- f. Measures for the benefit of armed forces veterans, war widows and their dependents;
- g. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- h. 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;
- i. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- j. Rural development projects.
- k. Slum area development.

Explanation: 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.

- l. Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Companies Act, 2013 (the "Act") as amended from time to time. (Collectively referred to as "CSR Activities")

The CSR Activities shall be undertaken only in India for the benefit of the public and not only for the employees of the Company and their family. Provided that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR Activities.

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• **QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES:**

- i. The Company shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years.
- ii. CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
- iii. Any surplus arising out of CSR projects or programs or activities shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR activities only.

• **IMPLEMENTATION OF CSR ACTIVITIES:**

- (i) The Board may decide to undertake its CSR activities approved by the CSR Committee through:-
 - A. the Company; (or)
 - B. a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise subject to following conditions:
 - o If such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
 - o The company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism; (or)
 - C. Collaboration with other companies in such manner that the CSR Committees of respective companies are in a position to report separately on such CSR activities in accordance with CSR Rules.
- ii. The Company may build CSR capabilities of its personnel as well as those of implementing agencies through institutions with established track records of at least three financial years but such expenditure shall not exceed 5% of the total CSR expenditure of the company in one financial year.

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- iii. The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.
- iv. The Company shall not make any payment directly or indirectly to any Political Party for CSR Activities.
- v. Subject to provisions of subsection (5) of section 135 of the Act, CSR projects or program or the activities undertaken in India shall amount to CSR expenditure.
- vi. The CSR projects or program or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the ACT.

- **MODALITIES OF EXECUTION OF CSR ACTIVITIES:**

- i. The Committee shall recommend the Board the CSR Activities to be undertaken for the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
- ii. The Board shall give its approval based on the recommendation of the Committee and in compliance of this Policy;
- iii. The Committee, after approval, shall submit the yearly report giving status of the CSR Activities undertaken, Expenditure Incurred and such other details as may be required the Board.

- **COMPOSITION OF THE CSR COMMITTEE:**

The members of the CSR Committee are as follows:

1. Chairperson:

Name: Mr. Vinay Kumar

2. Member:

Name: Mr. Ravi Shankar Prasad Singh

3. Member:

Name: Dr. Shailesh Prasad Singh

The Board of Directors of the Company would have the power to make any changes in the constitution of the CSR Committee.

- **ROLE OF THE COMMITTEE:**

The Committee shall carry out of the following functions:

- (a) recommend the CSR Policy to the Board;

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- (b) identify the projects/activities to be undertaken by the Company for CSR
- (c) recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
- (d) monitor the CSR Policy of the Company from time to time;
- (e) ensure compliance of CSR Policy;
- (f) Such other functions as may be delegated by the Board from time to time.

• **REFLECTION OF THE CSR ACTIVITIES**

- o The CSR activities would be reflected in the Board Report.
- o The annual report of the CSR activities along with the contents of the CSR policy of the Company shall be displayed on the Company's website.

• **GENERAL**

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, the decision of the Board will be final. 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 by the Government, from time to time.

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

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