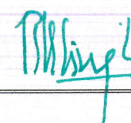


CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

BRIDGE AND ROOF CO. (INDIA) LTD.

March, 2022

Revision – 05



BRIDGE AND ROOF CO. (INDIA) LTD.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. VISION

The Company's vision is to consistently demonstrate leadership amongst its peers in the construction sector, in carrying out its operations in an economically, socially and sustainable manner, that is transparent and ethical, keeping in mind the larger interest of the communities at large.

2. MISSION

B AND R shall strive to integrate social and environment concerns in its business processes and work towards providing the best possible solutions for sustainable developmental needs of the society.

3. OBJECTIVES

The objectives of the CSR policy are:

- 3.1. The approach and direction given by the Board of the Company, taking into account there commendations of the Board Level CSR committee.
- 3.2. To define the guiding principles for selection, implementation and monitoring of CSR activities to be undertaken as specified in Schedule VII referred to under section 135 of the Companies Act, 2013 and Companies (CSR Policy) Rules 2014 and amendments thereof.
- 3.3. Formulation of the Annual Action Plan for CSR activities.
- 3.4. Spreading awareness amongst employees about the Company's CSR Policy, Programmes and initiatives.
- 3.5. Promoting the cause of Sustainable Development and giving due attention to social and environmental aspects and their impacts in all its activities including the feasibility studies.
- 3.6. Engagement with stakeholders in undertaking CSR activities.

4. CSR ORGANIZATION STRUCTURE

B AND R shall have a two-tier organizational structure for planning, implementing and monitoring the CSR activities of the Company.

4.1. Board Level CSR Committee

- 4.1.1. Board Level CSR Committee is headed by an Independent Director and has been constituted as per Section 135 of the Companies Act, 2013, to oversee the implementation of CSR Policy and to assist the Board of Directors to formulate suitable policies and strategies in this regard.

4.1.2. Reconstitution of the Committee is within the purview of the Board of Directors.

4.1.3. The composition of this committee shall be :

- ✓ Independent Director : Chairperson
- ✓ Other Independent Directors : Member
- ✓ Director (Project Management) : Member
- ✓ Director (Finance) : Member
- ✓ Government Nominee Director : Member

4.1.4. The Board Level CSR Committee shall formulate and recommend to the Company's Board of Directors the following for approval:

4.1.4.1. CSR Policy

4.1.4.2. Annual Action Plan in pursuance of its CSR Policy, which shall include the following namely;

- The list of CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;
- The manner of execution of such activities;
- The modalities of utilisation of funds and implementation schedules for the projects or activities;
- Monitoring and reporting mechanism for the activities; and
- Details of need and impact assessment, if any, for the projects undertaken by the Company

4.2. Below Board Level CSR Committee

4.2.1. The Board Level CSR Committee is supported by a Below Board Level CSR Committee.

4.2.2. The Below Board Level CSR Committee is headed by a senior executive of B AND R designated as Nodal Officer and comprising of other B AND R officials.

4.2.3. The committee will coordinate and implement the CSR initiatives of the Company as per the Company's CSR Policy, Section 135 of Companies Act, Companies (CSR Policy) Rules 2014 and amendments thereof.

5. KEY FOCUS AREAS

Activities will be undertaken as specified in Schedule VII referred to under section 135 of the Companies Act, 2013 and Companies (CSR Policy) Rules 2014 and amendments thereof further elaborated by the Ministry of Corporate Affairs; guidelines issued by Department of Public Enterprises from time to time, either directly or through funding of such activities. The Company envisages the following as its key areas in CSR activities:

5.1 Priority will be given to activities in line with the Common CSR Theme.

5.2 Activities which benefit communities such as Swachhta, Education, Healthcare, etc

5.3 To provide for Vocational Training and Skill Development for a gainful exposure in terms of employment in the engineering, construction and allied industry, as also towards better living with reduced assistance and independence.

6. SELECTION OF CSR ACTIVITIES

- 6.1 Location of activities :
Priority shall be given to the CSR activities which are aligned with national priorities. Also preference may be given to those activities which are located in and around the project locations of the Company, majority amongst them may preferably in aspirational districts, so as to connect with the people, environment and stakeholders closely impacted by its commercial operations. Besides, it is easier to mobilize the resources required for execution of CSR activities and ease of regular overseeing on the progress / performance of the activities.
- 6.2 Selection of activities shall be on the basis of the following The activity has to be from amongst the items as specified in Schedule VII under section 135 of the Companies Act 2013 and its amendments thereof.

7. SELECTION OF CSR ACTIVITIES EXECUTION AGENCIES

- 7.1. B AND R may undertake a CSR activity by itself.
- 7.2. A company may also collaborate with other companies for undertaking CSR activities or programs in such a manner that the CSR Committees of respective companies are in a position to report separately on such activities or programs in accordance with these rules.
- 7.3. The Company may engage an external implementing agency who must fulfil the following criteria:
- 7.3.1. The organization must be 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
An entity established under an Act of Parliament or a State legislature; or
A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12 A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- 7.3.2. The external implementing agency must be registered with the Central Government by filing the form CSR-1 through Ministry of Corporate Affairs (MCA).
- 7.1.1. The agency need to have experience in execution of activities of similar nature during the last three years.
- 7.1.2. Annual accounts of the firm must be audited.
- 7.1.3. Preference shall be given to the agencies having experience in working with Govt. agencies and other PSUs.

8. FINANCIAL BUDGET AND EXPENDITURE CONTROL

- 8.1. Prescribed CSR Expenditure is 2% of the average net profit of the last three financial years or any part thereof. Average net profit shall be calculated in accordance with Section 198 of Companies Act 2013.
- 8.2. The CSR Budget has to be approved by the Board of Directors.

- 8.3. If the company fails to spend the prescribed amount, the reasons for not spending shall be specified in its Annual Report. Such unspent amount, if any, will be dealt with in the following manner:
 - 8.3.1. Unspent amount pertaining to 'ongoing projects' : To 'Unspent CSR Account' within 30 days from the end of the financial year
 - 8.3.2. Unspent amount pertaining to 'other than ongoing projects' : To any fund included in Schedule VII within a period of 6 months from the end of the financial year
- 8.4. 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 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.
- 8.5. Where company spends an amount in excess of requirement, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years.
- 8.6. The expenditure incurred on baseline survey / need assessment study, on capacity building programs such as training, workshops, seminars, conferences, etc. and on corporate communication strategies for engagement of all stakeholders, whether internal or external, to implement the CSR agenda of a company, would be accounted for as CSR expenditure from the budget allocated and limits prescribed for this purpose and would also be included in Administrative Overhead Expenses. However, Administrative Overheads shall not exceed five percent of total CSR expenditure for the financial year.

9. IMPLEMENTATION AND MONITORING OF CSR ACTIVITIES

- 9.1. The Below Board Level CSR Committee shall scrutinize all CSR project proposals received and validate the physical and financial viability keeping in mind the benefit to the intended target.
- 9.2. The selected project and fund allocation shall be put up to the Board Level CSR Committee for their onward recommendation to the Board of Directors for their approval.
- 9.3. Once the CSR activities are approved the Below Board Level CSR Committee shall ensure the following :-
 - 9.3.1. Technical and Financial appraisal of the project especially the cost estimates.
 - 9.3.2. Clarity on definition of project milestones and their measurability, especially approvals and clearances from the competent authority.
 - 9.3.3. Time chart / project schedules and funding requirements for each stage.
 - 9.3.4. Payment terms.
 - 9.3.5. Memorandum of Understanding signed with the implementation agency should detail the roles and responsibilities of the agency and B AND R and any other party.
 - 9.3.6. Project Documentation
- 9.4. Monitoring of the CSR Activities:
 - 9.4.1. The Below Board Level CSR Committee shall monitor the CSR Activity performance / progress through periodical site visits / progress reports submitted by B AND R Official / Implementation agency.
 - 9.4.2. The Below Board Level CSR Committee shall submit quarterly reports to Board Level CSR Committee who shall apprise the progress / performance of Company's CSR activities to the Board of Directors as and when required.

10. REPORTING OF CSR ACTIVITIES

- 10.1. The CSR initiatives shall be published in the Company's Annual Report as a mandatory disclosure to the shareholders of the company and society at large. The format for Annual Report on CSR Activities will be in accordance with Section 135 of Companies Act, 2013.
- 10.2. The Composition of the CSR Committee, CSR Policy and Projects approved by the Board shall be uploaded on the Company's website and updated regularly in accordance with Section 135 of Companies Act, 2013:

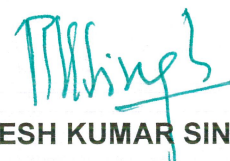
11. IMPACT ASSESSMENT

If required in accordance with Section 135 of Companies Act, 2013 Companies Act, in order to determine the degree of success and effectiveness of the company's CSR initiatives, an impact assessment may be carried out after the project is completed and expiry of necessary minimum gestation period (period for impact to be felt). A survey may be conducted for mega activities to assess the impact of CSR project in terms of social, economic and environmental benefits accrued to the intended beneficiaries.

12. EVALUATION AND REPORTING BY INDEPENDENT EXTERNAL AGENCY :

Project shall be regularly monitored by B AND R's own personnel from Below Board Level CSR Committee to ensure that project progresses as per the plan. An independent agency shall be engaged for the Evaluation and Reporting of the activities.

Date : 21st April'2022



(RAJESH KUMAR SINGH)

CHAIRMAN AND MANAGING DIRECTOR