



Vadodara Bharuch Tollway Limited

Corporate Social Responsibility Policy

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CORPORATE SOCIAL RESPONSIBILITY POLICY

(As amended by the Board on July 12, 2021)

The Board of Directors of Vadodara Bharuch Tollway Limited (“**the Company**”) had constituted the “Corporate Social Responsibility Committee” under the provisions of Companies Act, 2013 (hereinafter referred to as ‘**the Act**’).

1. OBJECTIVE AND REGULATORY FRAMEWORK

To have a Corporate Social Responsibility (CSR) policy in place as recommended by the Corporate Social Responsibility Committee in compliance with provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as ‘**CSR Rules**’) and Schedule VII to the Act, as amended from time to time.

The objective of this policy is to set the direction for the CSR activities of the Company undertaken in pursuance of its statutory obligation laid down in the Act and defines the governance and monitoring framework for ensuring the effectiveness of the policy.

The Key Objectives of this CSR policy would be to actively contribute to the social and economic development of the communities in which we operate by taking up CSR activities falling under the purview of Schedule VII of the Act.

2. SCOPE OF CSR POLICY

The scope of this CSR policy will extend to all those CSR initiatives that are proposed to be taken up by the Company which falls under the purview of Schedule VII of the Act as may be amended from time to time.

The CSR policy can be downloaded from Company’s website –

<https://www.lntidpl.com/businesses/roads/operational-projects/vadodara-bharuch-gujarat/>

3. KEY FOCUS AREAS

Subject to the availability of funds and evaluation of a particular CSR activity by the CSR Committee, this CSR policy allows to focus on areas indicated under Schedule VII of the Companies Act, 2013 and such other CSR activities as may be prescribed by the Central Government from time to time.

Primarily, the Company will focus on CSR activities as listed below:

- a. CSR activities as contained in the Annual CSR Action Plan, which include but not limited to promoting community development and health care, promoting road safety, women empowerment, promoting education etc. The CSR Plan may also be modified by the Board during the financial year, on the recommendation of the CSR Committee.

- b. Such other activities as maybe identified by company in the future falling under the purview of Schedule VII of the Act, as amended from time to time.

4. SELECTION AND IMPLEMENTATION MECHANISM

The following Implementation mechanism will be followed by the CSR committee to implement this CSR Policy.

- a) The CSR activities can be undertaken either directly or through any implementing agency. The implementing Agency should meet the eligibility criteria laid down under the Act. The Company shall conduct proper due diligence of the eligible implementing agency before finalisation of such agency.
- b) CSR activities will be implemented by the Company under the supervision of CSR Committee.
- c) Proposal for involving in a particular CSR activity will be submitted for the perusal of the CSR Committee and the CSR committee will evaluate the same in line with the activities listed out under Schedule VII of the Companies Act, 2013 and such other CSR activities as may be prescribed by the Central Government from time to time.
- d) On being convinced of taking up a CSR activity pursuant to evaluation by CSR committee as indicated in (b), CSR committee may recommend a particular CSR activity to be taken up by the Company for the approval of the Board.
- e) The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of this CSR policy and in accordance with the Act/CSR Rules. The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on reasonable justification to that effect.
- f) The Company may implement multi-year project(s) in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.
- g) On the Board approving a particular CSR activity, CSR Committee will authorise the CFO or Company Secretary or such other employee as the case may be as the lead for that particular CSR activity.
- h) The person authorised for a particular CSR activity is required to provide a report to the CSR committee on completion of the same.
- i) The CSR Committee will have absolute powers to monitor and call for such information on any CSR activity under review at such intervals as it may deem fit.

5. MONITORING STRUCTURE

The following Monitoring structure is in place to monitor the CSR initiatives:

- a) The CSR Committee constituted by the Board of the Company is empowered to monitor the progress of various CSR activities that the Company may intend to take up.
- b) The CSR Committee will in turn report to the Board on the status of CSR activities being taken up by the Company.
- c) The Board, in its Board of Directors' Report to the Shareholders, will annex an Annual Report on CSR initiatives taken up by the Company during a particular financial year containing particulars specified in the Act/CSR Rules.

6. CSR FUND

The corpus for the purpose of carrying on the aforesaid activities would be:

- ❖ 2% of the average Net Profit made by the Company during immediately preceding three Financial Years; and
- ❖ Any surplus if any arising out of such CSR initiatives being carried out by the Company.

Any Surplus arising out of the CSR activities shall not form part of the business profit of the Company.

7. LIMITATION AND AMENDMENT

The Board of Directors may in their discretion and on recommendation of the CSR Committee, make any changes/modifications/ amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and the Act/CSR Rules, law shall prevail over and automatically be applicable to this Policy.

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