

BEIL INFRASTRUCTURE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

[in terms of Section 135 of the Companies Act, 2013 and amended vide the Companies (Amendment) Act, 2019 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended on 22.01.2021]

BEIL Infrastructure Limited (BEIL) with its vision to deliver best value and sustainable waste management services has been contributing effectively towards environmental conservation, sustainability and resource planning.

BEIL conducts business that contributes toward developing a sustainable society, holistically addressing all issues related to People, Planet and Profit. The Company is committed to achieve inclusive growth of the marginalized and deprived sections of the society through its CSR initiatives.

BEIL has developed this Corporate Social Responsibility (CSR) Policy in consonance with the CSR Policy framework enshrined in section 135 of the Companies Act, 2013 and in accordance with the Companies (CSR Policy) Rules, 2014 notified by Ministry of Corporate Affairs. It shall apply to all CSR Projects / Programmes undertaken as per activities listed in Schedule-VII.

OBJECTIVE:

Through its business activities, BEIL aims to create economic value, by 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 and to actively contribute towards the development of a sustainable society. Going beyond just the statutory and legal requirements, the Company shall focus on adopting Environmentally Sustainable business practices in normal operations, work towards innovative management of waste, prudent energy management and biodiversity conservation.

PREREQUISITES BEFORE UNDERTAKING CSR ACTIVITIES

- The recipient should be registered under the local laws and be a recognised organisation with necessary approvals from regulatory authorities. They should have proper organisation structure and good reputation;
- The recipient should not be a part of the boycott list of India & other respective countries where the Company or its Group companies have business interest;
- Beneficiaries of such contributions should not be related to the Directors or executive officers of the Company or its Group companies;
- Contributions should be made without any demand or expectation of business return.

IMPLEMENTATION & MONITORING:

The Board shall ensure that:

- * The CSR activities are undertaken by the company itself or through -
 - (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
(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.

Every entity as listed above who intends to undertake any CSR activity, is registered with the Central Government by filing form CSR-1 with the Registrar.

- * **Utilization of funds:-** The funds so disbursed have been utilized for the purposes and in the manner as approved and the Chief Financial Officer / Head of Accounts & Finance shall certify to the effect.

Further, in case of ongoing project, the Board of Directors shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall make modifications, if any, for smooth implementation of the project within the overall permissible time period.

The CSR Committee shall:-

- Deliberate on the proposed projects, formulate and recommend to the Board the activities to be undertaken by the Company as specified in Schedule VII;
- **Annual action plan:** The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the list of CSR projects or programmes that are approved to be undertaken, the manner and modalities of execution, utilization of funds, implementation schedule, details regarding need and impact assessment of projects.

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee on reasonable justification.

- The Committee shall ensure that CSR projects/programs / initiatives, to be undertaken must fall within the purview of the Schedule VII of the Companies Act, 2013 (as modified from time to time);
- Recommend the amount of expenditure for CSR activities;
- Monitor CSR activities from time to time.
- The CSR activities of the Company shall not include any benefits which are exclusively for the employees of the Company or their family members;
- All expenditure towards the programs to be diligently documented.

CSR EXPENDITURE:

For achieving its CSR objectives through implementation of CSR programmes, the Company shall endeavor to allocate the following as its **Annual CSR Corpus:**

- 2% of average net profits made during the three immediately preceding financial years, as prescribed under Companies Act 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014;
[‘Net Profit’ shall be calculated in the manner prescribed by the Act and the CSR Rules].
- Any income arising therefrom; and
- Surplus arising out of CSR activities. Any surplus arising out of CSR activities shall not form part of the business profit 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.

AMOUNT SPENT IN EXCESS:

Where the company spends an amount in excess of requirement, such excess amount may be set off against the requirement to spend under section 135(5) up to immediate succeeding three financial years, by means of Board Resolution passed to that effect.

This excess amount available for set off shall not include the surplus arising out of the CSR activities.

TRANSFER OF UNSPENT AMOUNT:

- **Standalone CSR activities:-** If the company fails to spend such amount allocated for CSR activities, the Board shall, in its report specify the reasons for not spending the amount and transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- **Ongoing Projects:-** “Ongoing Project” shall mean a multi-year project undertaken in fulfilment of 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 was extended beyond one year by the Board based on reasonable justification;

Any amount remaining unspent pursuant to any ongoing project, undertaken by a company in pursuance of its CSR 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 CSR 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.

SCHEDULE VII*
(Section 135, The Companies Act, 2013)

Activities which may be included by companies in their Corporate Social Responsibility Policies
Activities relating to:

[(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, 9[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 8[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.

Explanation.- 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.]

**provisions shall be applicable as amended from time to time*

DISCLOSURE/REPORTING:

A full report of CSR projects / programmes undertaken during the previous year in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 or as amended from time to time shall be made a part of Board's Report every Financial Year.

In respect of matters not covered herein, a reference should be made to the CSR Committee. The Company reserves the right to modify, cancel, add, or amend its CSR Policy subject to the provisions of the Companies Act, 2013 and Rules framed thereunder.

(As amended by Board of Directors on 02.06.2021)