



Corporate Social Responsibility Policy:-

I. PURPOSE

Adopt and promote on recommendation of the CSR Committee and Board of Directors any activity as set out in the schedule VII of the Companies Act, 2013 as a contribution towards Corporate Social Responsibility of the Company.

II. Scope and Limitation

The scope of this Policy extends to all BRL locations in India.

This Policy has been formulated in accordance with Section 135 of the Companies Act, 2013 and the rules framed thereunder, which is effective from April 1, 2014. Every company which meets the criteria detailed in Section 135 of the Companies Act, 2013 is required to constitute a CSR Committee of the Board for implementation of CSR projects or programs or activities.

Limitations

- (i) The CSR projects or programs or activities that benefit only the employees of BRL and their families or activities undertaken in pursuance of normal course of business of BRL.
- (ii) The employee contribution towards CSR projects or programs or activities.
- (iii) One-off events such as marathons/awards/charitable contribution/advertisement/sponsorship of television programs etc.
- (iv) Contribution of any amount directly or indirectly to any political party.
- (v) Projects, programs or activities undertaken outside India.

III. Definitions

- (i) **Company** means Best Roadways Limited.
- (ii) **Board** means Board of Directors of the Company.
- (iii) **CSR** means and includes but is not limited to :
 - a) Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
 - b) Projects or programs relating to activities undertaken by Company in pursuance of the recommendations of the CSR Committee and approved

by the Board as per this Policy and in compliance with the Companies Act, 2013.

- (iv) **CSR Committee** means the Corporate Social Responsibility Committee constituted by the Board pursuant to Section 135 of the Companies Act, 2013.
- (v) **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely :-
 - a) any profit arising from any overseas branch or branches of the Company whether operated as a separate company or otherwise; and
 - b) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act 2013.
- (vi) **Policy** means this Corporate Social Responsibility Policy, as may be amended from time to time. Words and expressions used in this Policy but not defined herein shall have the meanings assigned to them under the Companies Act, 2013.

IV. Objective

This Policy has been formulated and adopted pursuant to Section 135 of the Companies Act, 2013 and the Rules framed thereunder. BRL will undertake CSR activities in relation to activities specified in Schedule VII to the Companies Act, 2013.

V. Constitution of the CSR Committee:

- (i) The CSR Committee shall consist of 3 (three) or more directors of the Company.
- (ii) The CSR Committee may delegate its responsibility to any senior or key managerial person(s) or a sub-committee as and when deemed fit for implementation of CSR programs. The key managerial person(s) or a sub-committee shall work under the supervision of the Board, the CSR Committee and report the activities and expenditures in accordance with this Policy and the Companies Act, 2013.
- (iii) The Board shall reconstitute the CSR Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements or on movement of Directors from the Board.
- (iv) The quorum for the CSR Committee Meeting(s) shall be 2 members and CSR Committee shall hold at least one meeting, either in person or through video conferencing, during a Financial Year. The CSR Committee may transact the business through passing of circular resolutions.
- (v) Composition of the CSR Committee shall be disclosed in the Board's report to the shareholders of BRL.

VI. Role of the CSR Committee

The terms of reference of the Corporate Social Responsibility Committee are as follows:

1. The Committee shall formulate and recommend to the Board, a 'Corporate Social Responsibility Policy' ('CSR Policy') which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
2. The Committee shall recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy.
3. The Committee shall monitor the CSR Policy of the company from time to time.
4. The Committee will be responsible for reviewing and overseeing CSR Policy and external environmental issues that affect or could affect the company's business activities, performance, public image and responsibilities under Indian Law.
5. The Committee will assist the Board in determining how the company can anticipate and adjust to corporate social responsibility trends in order to achieve its goals more effectively.
6. The Committee will provide overview of and makes recommendations to the Board regarding proposals that relate to corporate social responsibility issues.
7. The Committee will offer, advice and counsel to management regarding the effectiveness of the company's corporate social responsibility programs and corporate citizenship.
8. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.
9. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
10. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

VII. Role of the Board

The roles and responsibilities of the Board shall include:

- (i) Review the recommendations made by the CSR Committee in respect of annual budget for CSR.
- (ii) Disclose contents of the Policy in the Board's reports and website of BRL.
- (iii) Ensure that BRL spends in every financial year, at least two (2%) percent of the average net profits (before tax) made during the 3 (three) immediately preceding financial years on CSR activities.
- (iv) Ensure that the CSR activities are undertaken and executed by the Company as per the Policy and the applicable laws.
- (v) Specify in the Board report, the reasons, if the minimum amount of CSR expenditure is not fully spent on CSR activities.

VIII. Inclusions and exclusions as amount of expenditure to be incurred on the CSR activities

The Board shall ensure that the Company spends the following amounts for CSR activities in pursuance of this Policy:

- (i) In every financial year, at least 2 (two) per cent of the “average net profits” of the Company made during the 3 (three) immediately preceding financial years. The “average net profits” shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and the rules framed there under from time to time. The average net profit shall be profit before tax.
- (ii) Any income arising from the activities mentioned above.
- (iii) Surplus arising out of CSR activities.
- (iv) Contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013, shall not be considered as CSR activity.
- (v) Amount spent on CSR activities shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendations of the CSR Committee, but will not include any expenditure on an item not in conformity or not in line with the activities detailed Schedule VII of the Companies Act, 2013.
- (vi) Any surplus arising out of the CSR activity will not be part of the business profits of the company.
- (vii) The CSR Committee will approve the expenditure on CSR activities within monetary limits sanctioned by the Board for such activities.

IX. Implementation

CSR activities may be initiated / implemented/ executed:

- (i) By the Company directly; or through
 - a) A registered trust, registered society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013.
 - b) If such trust, society or a company is not established by the Company or its holding or subsidiary or associate company, the eligible CSR activities will be undertaken by a trust, society or company which has an established track record of 3 (three) years in undertaking CSR projects or programs.
 - c) The Company may also collaborate with other companies for undertaking CSR projects or programs or activities in such a manner that each company’s part in such activity may separately be identified.
 - d) CSR capacities may be built of company personnel as well as those of implementing agencies through institutions with established track record of at least 3 (three) financial years but such expenditure shall not exceed 5% of the total CSR expenditure

of the Company in one financial year. CSR Committee shall have full discretion to specify or modify the modalities of execution of CSR projects or programs and to determine implementation schedules.

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X. Monitoring

It will be the responsibility of the CSR Committee to monitor periodically the implementation of the projects / programs / activities under this Policy and to ensure compliance of the provisions related to CSR mentioned in the Companies Act, 2013 and rules framed thereunder from time to time. The progress of CSR initiatives and activities will be reported to the Board on a regular basis.

XI. CSR reporting

The Board's report shall include an annual report on CSR containing the following particulars:

- (i) A brief outline of the Company's Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Policy and projects or programs;
- (ii) The composition of the CSR Committee;
- (iii) Average net profit of the Company for last 3 (three) financial years;
- (iv) Prescribed CSR Expenditure (2% of the amount of the net profit for the last 3 (three) financial years);
- (v) Details of actual CSR spend during the financial year;
- (vi) In case the Company has failed to spend 2% (two percent) of the average net profit of the last 3 (three) financial years or any portion thereof, provide reasons for not spending such amounts;
- (vii) A responsibility statement of the CSR Committee that the implementation and monitoring of the Policy is in compliance with the Company's CSR objectives.

XII. Amendments

Any modification/amendment in the Policy may be carried out by the Board on the recommendation of the CSR Committee of the Company. The Policy will be subject to change as per the applicable act, rules, regulations and government guidelines. The Board will review the Policy on an annual basis or such shorter period as may be required.