

Corporate Social Responsibility Policy for NTBCL

(I) Preamble :

- (1) With the enactment of Section 135 of the Companies Act, 2013 (the Act) and the Corporate Social Responsibility (CSR) Rules (the Rules), the Government of India has given a big fillip to the scale of engagement of private sector in the social development story of India. Utilising this platform, NTBCL via its CSR activities, will aim towards making a meaningful impact on the underprivileged communities and environment in the area surrounding the facility.
- (2) The NTBCL CSR policy is being designed with a belief that creating possibilities of economic inclusion powered by skilling and supporting livelihood creations, is the most effective way to manage challenges posed by poverty, inequality and unemployment. This will primarily, entail, undertaking a variety of programs for enhancing economic activity and skilling, which will be supplemented with interventions to improve the quality of life of stakeholders in the project catchment areas. Employment and livelihood creation, Millennium Development Goals (MDG) and global concerns such as climate change will be considered as guides in setting up the CSR projects
- (3) Being an infrastructure company, mitigation of the Environmental and Social impact of the project has always been a prime concern of Noida Toll Bridge Company Limited (NTBCL)
- (4) During the construction phase of the Project, the Company adopted measures like constitution of a Citizens Committee in NOIDA to address concerns of the local residents with respect to the project, monitoring environmental impact - primarily noise pollution levels and air quality levels during construction and social aspects pertaining to the labour colony etc
- (5) Further, two NGOs were appointed to implement the Resettlement and Rehabilitation Packages (R&R) for Project Affected Persons wherein almost 50 families were rehabilitated.

(II) The key objectives of the CSR Policy:

NTBCL CSR activities will, inter-alia :

- (1) Follow a livelihood centred approach to holistic development of communities by undertaking context driven income generation activities, especially of the under-privileged

- (2) **Support capacity building through skills based training programs with a focus on employment** and entrepreneurship, functional literacy, financial literacy and women empowerment
- (3) Support quality education including special education, and programs on road safety and strengthening of education infrastructure
- (4) Focus on interventions in the area of hygiene, healthcare and nutrition, **safe drinking water**, sanitation, education, sports, environmental sustainability, ecological balance, natural resource protection and conservation, emergency trauma care, safety and disaster management, thereby enabling an improved quality of life and resource security
- (5) Strengthen linkages of the Community with existing government schemes and programs related to social infrastructure and build community institutions
- (6) Provide assistance for rehabilitation and restoration in times of disasters and natural calamities
- (7) Undertake any other activity / initiative as directed by the CSR Committee, and within the purview of Schedule VII of the Companies Act 2013

(III) **Effective Date** : This CSR Policy shall be effective from April 1, 2014

(IV) **Key Rules/Guidelines for the CSR Expenditure** :

- (1) The recommended CSR spend, as indicated in the Act is at 2% of the Average Profit Before Tax of the Company for three preceding financial years, duly adjusted for any dividend income received from companies covered under Section 135, and any profits from Overseas Branches
- (2) Accordingly, the CSR budget for each year will not be less than that prescribed under the Act, as amended from time to time.
- (3) The CSR spends will largely be directed to the local areas around the DND Flyway
- (4) The selected projects need to adhere to the following guidelines :
 - (a) The Company will undertake CSR projects / programme that are in conformity with Schedule VII of the Act as amended from time to time;
 - (b) The Company shall not include any contribution of any amount, directly or indirectly, to any political party, under Section 182 of the Act as a CSR activity. CSR Activities shall also not include the activities undertaken in pursuance of normal course of business of the Company ;

- (c) Any surplus arising out of any of the CSR activities / programmes shall not form part of the business profits of the Company ;
- (d) Any activity for the exclusive benefit of the employees of the Company or their family members shall not be considered as a CSR activity ;
- (e) However, the Company may build CSR capacities of its own personnel as well as those of its Implementing Agencies through institutions having established track records of at least 3 years, but such expenditure shall not exceed 5% of the total CSR expenditure of the Company in any one financial year

(V) Proposed Operating Framework :

- (1) Composition of the CSR Committee : The Board of the Company has constituted a CSR Committee as follows :

- (a) Mr R. K. Bhargava (Independent Director-Chairman)
- (b) Dr. Sanat Kaul (Independent Director)
- (c) Mr Arun K Saha (ITNL Nominee)
- (d) Mr K. Ramchand (ITNL Nominee)
- (e) Mr. Harish Mathur (Executive Director & CEO)

- (2) Role of the CSR Committee : The CSR Committee of NTBCL shall be to :

- (a) Formulate and recommend to the Board of the Company the CSR Policy which shall indicate the CSR activities to be undertaken by the Company
- (b) Formulate the operational framework for the implementation of the CSR Policy
- (c) Recommend the amount of expenditure on the CSR activities
- (d) Monitor and review the CSR activities

- (3) Approval Process :

As per the Act, the CSR budget outlays and projects are to be approved by the Board on the recommendation of the CSR Committee. Whilst, in the normal case, approval would be taken for an Annual Plan at the start of each financial year, it is expected that in the initial years of the implementation of the CSR regime, periodic reviews and/or modifications to the Budgets will be sought from the CSR Committee

Further, given the nature of the activities, at times the budget outlays would be indicative and there could be need for variations as the projects are implemented. It is proposed that powers to approve adhoc requirements be granted to a Delegated Authority – comprising of Mr R. K. Bhargava, Chairman and Mr. Harish Mathur, Executive Director & CEO.

(VI) Disclosure of the Policy :

As per the Act, NTBCL is required to disclose the composition of the CSR Committee and its CSR Policy in the Company's Annual Report and on the website. Further, the details of the CSR activities and programme taken up during the year will also be disclosed