



BGRS Global (India) Private Limited

Corporate Social Responsibility Policy

September 1, 2021

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**A. PURPOSE:**

BGRS Global (India) Private Limited (“**BGRS**”) Corporate Social Responsibility (“**CSR**”) program is built on shared values and the commitment of our employees to live those values. The goal of the CSR program is to take responsibility for the impact of our activities on our various constituencies, and society as a whole. We have embraced a CSR statement that helps guide our behaviors and promotes a high standard of accountability — from what we do, to what we buy, to how we invest.

BGRS recognizes that its business activities have wide impact on the communities in which it operates, requiring BGRS to give due consideration to the interests of its stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. BGRS endeavors to make CSR a key business process for sustainable development. BGRS is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society.

Our Policy is based on the provisions of Section 135 of the Companies Act, 2013 (“**Act**”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”), made thereunder.

**Philanthropy - Powering Potential**

- Powering Potential, BGRS’s philanthropic focus, is designed to help others in need by concentrating on basic needs and workforce development.
- BGRS believes in working with community partners by providing food, clothing, and shelter to those who require immediate help. Emphasize on providing education, health and social care to the under privileged children and needy elderly citizens.<sup>1</sup>
- BGRS’s workforce development investments are designed to individuals from under-privileged backgrounds have better access to employment through job training, education, mentoring and skills development, adding a rung to the ladder of opportunity.
- At the heart, BGRS’s charitable giving is about uplifting others.

**B. STATEMENT:**

At BGRS, we are invested in our people, market integrity and our world. BGRS is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth with our main objective is to protect environment and to create awareness in the area of sustainability and the responsibility to be a good corporate citizen. BGRS constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

**At BGRS, we are:**

- **Invested in market integrity:** Contributing to the well-being of the markets in which we operate through the resiliency and effectiveness of our operations, as well as demonstrating high standards of excellence and integrity within the industry.
- **Invested in our people:** Providing our talented, diverse workforce the opportunities and training they need to contribute and succeed.
- **Invested in our world:** Making local communities better places to live and work in, and contributing to solutions for important global issues.

**C. DEFINITIONS**

- **Administrative Overheads** means the expenses incurred by the company for 'general management and administration' of CSR functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or program.
- **Board** means the Board of Directors of the Company.
- **Corporate Social Responsibility or CSR** means and includes but is not limited to
  - i. Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
  - ii. Projects or programs relating to activities undertaken by the Company in pursuance of the recommendations of the CSR Committee and approved by the Board as per this policy.
- **CSR Committee** means Corporate Social Responsibility Committee constituted by the Board pursuant to Section 135 of the Companies Act, 2013.
- **Ongoing Project** means a multi-year project undertaken by a Company 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.
- **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 viz:-
  - i. Any profit from any overseas branch or branches of the Company whether operated as a separate Company or otherwise and
  - ii. 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.

Words and expressions used in this Policy and not defined herein but defined under the Companies Act, 2013 shall have the meanings respectively assigned to them therein.

**D. CONSTITUTION OF COMMITTEE:**

The CSR Committee members shall be nominated by the Board from time to time per the provisions of Act and CSR Rules. The Board of Directors of BGRS has powers to nominate/ change/ induct members of the CSR Committee.

Any member of the CSR Committee may be removed or replaced at any time by the Board. Any member of the CSR Committee ceasing to be a Director on the Board of the Company shall cease to be a member of the CSR Committee.

**E. MEETINGS:**

Committee shall meet as per the provisions of the Companies Act, 2013, with a minimum of one meeting each year.

**F. ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS:**

Roles and responsibilities of the Board of Directors of BGRS include:

- (i) Approve the CSR Policy after taking into consideration the recommendations made by the CSR committee;
- (ii) Approve the annual action plan after taking into consideration the recommendations of the CSR committee;
- (iii) Review and approve projects that were initially not approved as a multi-year projects, but whose duration has been extended beyond one year;
- (iv) Monitor the implementation of ongoing projects and to ensure that the funds are utilized for approved purpose and the same shall be certified by the Chief Financial Officer or Person in charge of finance;
- (v) Ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR Policy;
- (vi) Satisfy itself that the funds disbursed for the CSR activities have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect;
- (vii) Ensure that CSR activities included in the CSR Policy are undertaken by BGRS and that such activities are related to the activities specified in Schedule VII of the Act;
- (viii) Include in the Board's Report an annual report on CSR containing particulars in the prescribed format;

- (ix) Transfer unspent CSR amounts in accordance with the terms of the Act and the rules made thereunder;
- (x) Ensure disclosure of the contents of the CSR Policy on BGRS website, if any.

**G. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE:**

- (i) Formulate the CSR Policy to the Board, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act;
- (ii) Investigate any matter in relation to the CSR Policy or as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and if necessary, seek professional advice;
- (iii) Review and recommend any amendments to be made in the CSR policy of the Company;
- (iv) Recommend the amount of expenditure to be incurred on CSR activities;
- (v) Ensure the recommended amount is spent on CSR activities and if not, specify the reasons and necessity for default in spending the required amount;
- (vi) Assist the Board in the preparation of the Board's report and the annual report on CSR activities to be included in the Boards' report;
- (vii) Formalize a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by BGRS;
- (viii) Review and recommend projects that were initially not approved as a multi-year projects but whose duration has been extended beyond one year;
- (ix) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy;
- (x) Review and recommend to the Board any amendments to be made to the annual action plan;
- (xi) Provide a responsibility statement on the implementation and monitoring of the CSR Policy and that it is in compliance with CSR objectives of BGRS, which statement shall form part of the Boards' Report;
- (xii) Devise proper implementation/execution schedule in consultation with the CSR team for each project/program;
- (xiii) Review and recommend projects that were initially not approved as a multi-year projects but whose duration has been extended beyond one year;
- (xiv) Review / monitor the process of projects or programs.

- (xv) Carry out such other functions as may be required towards CSR as per instructions of the Board.

#### **H. CSR ACTIVITIES:**

- (i) BGRS's CSR activities shall focus on the activities as mentioned in the **Appendix**, which are broadly classified into the following categories:
  - (a) Healthcare Projects;
  - (b) Sanitation;
  - (c) Education;
  - (d) Any other activities covered under Schedule VII.
- (ii) The CSR activities shall be undertaken in locations within India. BGRS shall give preference to local areas from where it operates while considering the activities to be undertaken and spending the amount earmarked for CSR activities.

#### **I. IMPLEMENTATION OF CSR ACTIVITIES:**

- (i) The Board may decide to undertake and implement its CSR activities by itself or through:
  - a. a section 8 company, or a registered Public Trust, or a registered Society registered u/s 12A & 80G of Income Tax Act, 1961 established by the company, either singly or along with any other company, or
  - b. a company established under section 8, 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 track record of at least 3 years in undertaking similar activities.
- (ii) In case activities are undertaken through the above mentioned entities, BGRS shall specify the project or programs to be undertaken through these entities, the modalities of utilization of the funds on such projects and programs and the monitoring and reporting mechanism.
- (iii) BGRS shall take into account the restrictions and compliances under Foreign Contribution and Regulation Act and rules framed under such Act, while undertaking CSR activities.
- (iv) Implementation and execution of the CSR activities/projects shall be carried out through CSR team of BGRS.
- (v) CSR Committee shall have full discretion to specify or modify the modalities of execution of CSR projects or programs and to determine implementation schedules.

- (vi) BGRS shall undertake the CSR activities directly and also through various implementing agencies such as, NGOs, non-profit organizations, etc. Such implementing agencies shall have an established track record as prescribed under the law.
- (vii) BGRS may also collaborate or pool resources with other companies to undertake CSR activities in such a manner that each company is in a position to report separately on such CSR projects.
- (viii) The following activities do not qualify as CSR activities under the Act:
  - (a) projects or activities not falling within Schedule VII of the Act;
  - (b) activities undertaken in pursuance of normal course of business;
  - (c) projects or programs or activities that benefit only the employees of BGRS and their families;
  - (d) direct or indirect contribution to any political party.

**J. CSR CORPUS/EXPENDITURE:**

- (i) CSR Corpus available for expenditure shall be calculated per the provisions of the Act and CSR Rules as amended from time to time
- (ii) CSR Expenditure shall mean all expenditure incurred in respect of specific projects/programs relating to the abovementioned approved CSR activities.
- (iii) CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII.
- (iv) CSR Expenditure shall not include projects or programs or activities undertaken outside India.
- (v) The surplus arising out of the CSR activities will have to be ploughed back into the same project or will have to be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and annual action plan or such surplus amount will have to be transferred to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year.
- (vi) Administrative Overheads shall not exceed 5% of the total CSR expenditure of the company for the financial year.
- (vii) A maximum of either 5 percent of CSR Expenditure or INR 50,00,000 (Indian Rupees fifty lakh) whichever is less may be booked as impact assessment expenditure.
- (viii) Any excess amount spent in a financial year can be set off against the requirement to spend in subsequent financial years up to immediate succeeding three financial years provided that the excess amount available for set off shall not include the surplus arising out of the CSR activities.

- (ix) Expenditure should be made in projects/program mode. Expenditure on one off events like such as marathons/ awards/ charitable contribution/ advertisement will not qualify for eligible expenditure for CSR purpose. Expenditure to discharge statutory obligation will not form part of CSR expenditure under the Act.

**K. REVIEW AND MONITORING:**

- (i) It shall be the responsibility of the CSR Committee to review expenditure and monitor activities periodically.
- (ii) Records relating to the CSR activities/expenditure shall be maintained. The records shall be submitted for reporting and audit.

**L. IMPACT ASSESSMENT:**

In case the Company has average CSR obligation of Rs. 10,00,00,000 (Indian Rupees ten crore) or more in the 3 (three) immediately preceding financial years shall undertake impact assessment through an independent agency for projects of Rs. 1,00,00,000 (Indian Rupees one crore) or more which have been completed not less than 1 (one) year before undertaking the impact study.

**M. DISCLOSURES BY THE BOARD:**

- (i) The contents of the CSR Policy and composition of the CSR Committee are required to be disclosed on the website, if any.
- (ii) At the end of each Financial Year, the Board's Report required to include an annual report on CSR containing particulars in the prescribed format.

**N. APPENDIX:**

CSR activities include:

1. Healthcare Projects
2. Sanitation
3. Education
4. Any other activities covered under Schedule VII as amended from time to time