

BWDA FINANCE LIMITED (“BFL”)



CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

Adopted at the Board meeting dated 09th December 2023

1. CONCEPT:

1.1. SHORT TITLE & APPLICABILITY:

1.1.1 This policy, titled the 'BFL CSR Policy,' outlines the company's commitment to fulfilling its responsibilities as a corporate citizen. It establishes guidelines and mechanisms for conducting socially beneficial programs aimed at the welfare and sustainable development of the broader community.

1.1.2 The provisions of this policy shall apply to all CSR initiatives and activities undertaken by BFL. These initiatives are intended to benefit various segments of society, including the deprived, underprivileged, differently-abled individuals, women, and senior citizens.

1.2. CSR VISION STATEMENT & OBJECTIVE:

1.2.1 In alignment with the company's overarching vision, BFL, through its CSR initiatives, strives to enhance value creation within the society and the communities where it operates. This is achieved through responsible business practices, ethical conduct, and initiatives aimed at promoting sustained societal growth while demonstrating environmental stewardship.

1.2.2. The Key objective of the BFL CSR Policy are as follows:

- Foster a heightened commitment across all organizational levels to conduct business operations in an economically, socially, and environmentally sustainable manner. This commitment extends to recognizing and addressing the interests of all stakeholders.
- Undertake programs, either directly or indirectly, that contribute to the betterment of communities surrounding our operational centers. These initiatives are aimed

at improving the overall quality of life and economic well-being of the local population over time.

- By implementing these policies and objectives, BFL endeavors to fulfill its role as a socially responsible corporate entity that places a strong emphasis on environmental consciousness.

1.3. CSR COMMITTEE:

According to Section 135(9) of the Companies Act, 2013, it stipulates that when the amount to be spent by a company under Section 135(5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for the constitution of the Corporate Social Responsibility Committee shall not be applicable. In such cases, the functions of the CSR Committee, as provided under this section, shall be discharged by the Board of Directors of the company.

Since the amount to be spent by the Company is less than 50 Lacs, the functions are discharged by the Board of Directors of the Company.

2. GUIDING PRINCIPLES - RESOURCES & AREAS TO BE COVERED

2.1. Funding & Allocation:

2.1.1. Subject to triggering CSR obligation on any financial year to achieve its CSR objectives through implementation of meaningful & sustainable CSR programmes, BFL will allocate 2% of its average annual net profits made during 3 immediately preceding financial years, as its Annual CSR Budget.

2.1.2. Administrative overheads are the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme and shall not exceed five percent of total CSR expenditure of the Company for the financial year.

2.1.3. From the annual CSR Budget allocation, a provision will be made towards the CSR activities made under relevant expenditure heads, on a year on year basis as per the

amount spent on any activities covered under Schedule VII of the Companies Act, 2013 and amendments thereon.

2.1.4. CSR activities will not include the activities undertaken

(i) in pursuance of normal course of business of the Company,

(ii) outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;

(iii) benefitting the employees of the Company (as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) and as amended from time to time),

(iv) by contributions of any amount directly or indirectly to any political party,

(v) on sponsorship basis for deriving marketing benefits for its products or services or activities carried out for fulfilment of any other statutory obligations under any law in force in India.

2.1.5. Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII/ any other fund notified by the Government, within a period of 30 days from the date of completion of the third financial year.

2.2 Area to be covered

2.2.1. The poor and needy section of the society living in different parts of India would normally be covered on the activities covered under Schedule VII of the Companies Act, 2013 and amendments thereon. As per the Section 135 of the Companies Act, 2013 the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities within the State / States in India.

3. PLANNING:

3.1. The Annual Action plan shall be formulated / altered by the Board any time during the financial year.

3.2. The CSR Annual Action Plan shall include the following:

- a. the list of CSR projects that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act,
- b. the manner of execution of such projects,
- c. the modalities of utilisation of funds and implementation schedules for the projects,
- d. monitoring and reporting mechanism for the projects and
- e. details of need and impact assessment, if any, for the projects undertaken by the company.

4. IMPLEMENTATION:

- 4.1. BWDA Finance Limited will directly implemented by the CSR Programs.
- 4.2. For meeting the requirements arising out of immediate and necessary situations, Managing Director is authorized to approve proposals in terms of the empowerment accorded to him by the Board and subsequently brought to the information of the Board.

5. MONITORING AND FEEDBACK:

- 5.1. The Board of Directors is responsible for formulating and recommending the Corporate Social Responsibility (CSR) policy and the annual action plan.
- 5.2. The Board shall monitor the progress of the annual action plan, its execution, modalities of fund utilization, and implementation schedules at the end of the financial year.
- 5.3. The Board of the Company shall ensure that the funds disbursed have been utilized for the approved purposes and in the prescribed manner, and the Chief Financial Officer or the person responsible for financial management shall certify this by the end of the financial year.
- 5.4. Appropriate documentation of the BFL CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis, and the same will be available in the public domain.
- 5.5. CSR initiatives of the Company will also be reported in the Annual Report of the Company in the prescribed format.

CSR Annual Action Plan for the Financial Year 2023 - 2024 is as follows:

S.N	Name of the CSR Project/Programme	Category under Schedule VII	Manner of Execution	Amount Spent Rs. In Lacs	Implementation Modality	Implementation Schedule
SENIOR CITIZEN WELFARE						
1.	Senior Citizen Welfare	(iii)	Directly	Rs. 6.00 Lacs	Directly	Between October 2023 to March 2024
2.	Women Welfare	(iii)	Directly	Rs. 3.00 Lacs	Directly	Between October 2023 to March 2024
3.	Children's Education	(ii)	-	-	-	-