



Baid Leasing and Finance Co. Ltd.

CSR POLICY

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Company Circulation

Version Control

Document Version	Description of Change	Date	Prepared / Changed by
1.0	Incorporated changes pertaining to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and Section 135 of the Companies Act, 2013, vide Notifications issued by the MCA on 22nd January 2021. Effective from 22nd January 2021.	22 nd June 2021	Compliance Department

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1. Preface :

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”), Baid Leasing and Finance Company Limited (“**the Company**”) is required to frame a Corporate Social Responsibility Policy (“**CSR Policy**”). Accordingly, the Board of Directors (“**the Board**”) of the Company has approved and adopted this Policy.

2. Vision and Philosophy:

As a private sector enterprise, the Company has a long and cherished tradition of commendable initiatives, institutionalized programmes and practices of Corporate Social Responsibility (“**CSR**”) which have played a laudable role in the development of several underdeveloped peoples.

Our CSR activities are essentially guided by project based approach in line with the guidelines issued by the Ministry of Corporate Affairs of the Government of India.

3. Interpretation:

The words and expressions used and not defined in this policy but defined in the Companies Act, 2013 (the act) or rules made there under shall have the same meanings respectively assigned to them in the act or rules made thereunder.

4. Policy Guidelines:

i. All CSR Projects must be aligned with Schedule VII of the Companies Act, 2013 as stated below and amended from time to time:

- (a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water;
- (b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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];

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- (e) 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;
- (f) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (g) training to promote rural sports, nationally recognized sports and Olympic sports; paralympic sports and olympic sports
- (h) contribution to the prime minister's national relief fund 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;
- (i) ✓ 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

 ✓ 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)
- (j) rural development projects and 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.

Note: Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

- (k) disaster management, including relief, rehabilitation and reconstruction activities.

ii. CSR projects or programmes or interventions must be undertaken in India.

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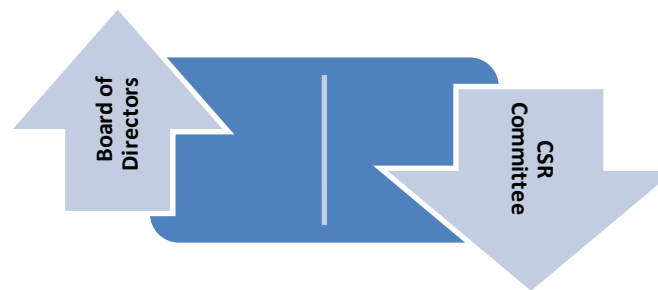
iii. CSR projects or programmes must not include the initiatives undertaken in pursuance of normal course of business of the Company.

iv. Projects or programmes or Interventions that benefit only the employees of the Company shall not be considered as CSR.

v. Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.

5. Governance Structure:

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and rules made thereunder.



(a) Role of Board of Directors

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.
- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect
- Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy.
- Ensure that the Company, treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.

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(b) Constitution of CSR Committee

In terms of the provisions of Section 135 of the act and rules made thereunder, the Board of the Company has constituted a CSR Committee (the Committee), the composition of which meets the criteria as specified in the above Section.

Functions of CSR Committee

The Committee shall carry out the following functions:

- (i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013, manner of execution of such activities/projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.
- (ii) Recommend the amount of expenditure to be incurred on CSR activities.
- (iii) Monitor the CSR Policy of the Company from time to time.

6. Funding and Allocation:

The Company shall, in every financial year, spend at least 2% of its average net profits made during the three immediately preceding financial years, in pursuance of its CSR Policy.

Explanation: The Average Net Profit shall be computed in accordance with the provisions of Section 198 of the act.

7. Implementing and Monitoring Process:

- The CSR Committee will monitor all CSR projects / programmes. For this purpose, the Committee would meet as and when required to take note of project wise status of project completion, funds utilization and to compare with budgeted funds and time lines.
- The CSR Committee shall provide guidance on the allocation of the CSR budget on identified thrust areas on an annual basis and seek approval from the Board.
- The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.

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8. Disclosure and Reporting:

An annual report on CSR containing the prescribed particulars under the CSR Rules shall form part of the Board's Report of the Company.

9. Review:

The CSR Committee may review and amend this policy from time to time in accordance with the applicable laws. Any subsequent notification, circular, guidelines or amendments under the act and other applicable laws as may be issued from time to time shall be mutatis mutandis applicable without further modification or amendment in this Policy.

Proposed by:	
Name	Signature
Mr. Diwakar Jain, Company Secretary and Compliance Officer	
Reviewed by:	
Mr. Aman Baid, Whole Time Director	

Approving Authority	Board of Directors
Date of Approval/ Review	June 22, 2021

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