

Balaji Action Buildwell Private Limited

Regd. Off.:- G-11, Udhyog Nagar, Main Rohtak Road, New Delhi-110041

Corporate Social responsibility (“CSR”) Policy

Objective

Corporate Social responsibility (“CSR”) bridges the gap between the commercial objectives of the Company on one hand and its responsibility towards the society and the environment on the other hand. At Balaji Action Buildwell Private Limited (herein after referred to as the “Company”), the Company’s aim to carry out charitable objects and purposes wide enough for the extension and benefit thereof to the society. The key purpose of this policy is:

- To lay down guidelines to make CSR a key business process for sustainable development of society.
- To enhance the well-being of the communities where the Company operate and encouraging growth and vitality through positive engagement.
- To implement sustainable programs towards enhancing & alleviating the living conditions of the several underprivileged families in the nearby of the Company.
- To generate goodwill and recognition among all stakeholders of the Company.
- Creating social value for the organization through sustainable development.
- To build social consciousness among employees by engaging them in volunteering efforts.

CSR policy of the Company will provide for an implementation strategy and include identification of projects/activities, setting measurable physical targets, organizational mechanism and responsibilities, time schedules and monitoring of the same.

Definition:-

- ✚ **Administrative overheads** means 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;
- ✚ **Corporate Social Responsibility (CSR)**” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Companies Act, 2013 and rules made thereunder.

- ✚ **“CSR Committee”** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- ✚ **“CSR Activity”** means programme, projects and activities undertaken by the Company in pursuance to obligation laid down as per Companies Act, 2013 read with Schedule VII as amended from time to time.
- ✚ **“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 a company as per its financial statement prepared in accordance with the applicable provisions of the Act.

Note: - *The Net Profit shall be computed in accordance with the provisions of section 198 of the Companies Act, 2013.*

Words and expressions used and not defined in this policy but defined in the Act, shall have the same meanings respectively assigned to them in the Act.

Project identification and implementation

CSR Committee of the Company shall be responsible for identification of projects / programme as per the provisions of the Companies Act, 2013 read with schedule VII and overseeing implementation of activities directly or through third parties i.e. Trusts, Societies or Section 8 Companies operating in India (including those set up by the Central / State governments for socio economic development and relief) and having at least three (3) year track record in carrying on activities in the related areas and Registered with the Ministry of Corporate Affairs as CSR Implementing Agency.

Company may collaborate or pool its CSR corpus (either whole or part) with other Companies who undertake similar CSR activities and where the investments done through such collaborative effort would qualify for computing CSR investments subject to the provisions mentioned in the Act in this regard.

Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of their own personnel for CSR.

Constitution of CSR Committee

CSR Committee shall be constituted by the Board of Directors of the Company in line with provisions of section 135 of the Companies Act, 2013 and rules made thereunder. The composition of Company's CSR Committee are as under: -

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|----|-------------------------|---|---------------------------|
| 1. | Mr. Ajay Kumar Aggarwal | - | Chairman of the Committee |
| 2. | Mr. Amit Aggarwal | - | Member of the Committee |
| 3. | Mr. Vivek Jain | - | Member of the Committee |

Role and Responsibilities of the CSR Committee

- To 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.
- To recommend the amount of expenditure to be incurred on the activities.
- To formulate and recommend to the Board, an annual action plan in pursuance of this policy, which shall include the following, namely: -
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
 - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes; and
 - details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

- To submit the feedback and project progress reports to the Board on a periodic basis.
- To monitor & recommend updating the CSR Policy of the Company from time to time.
- Adhere to Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force);
- Any other matter/ thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company, and
- All other activities as informed or delegated by the Board of Directors from time to time.

Role and Responsibilities of the Board

- ✦ Board shall satisfy itself that the funds so disbursed 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.
- ✦ Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- ✦ In case of ongoing project, Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- ✦ If the Company fails to spend such amount, Board shall specify in its Report the reasons for not spending the amount.
- ✦ Where the Company spends an amount in excess of requirement, such excess amount may be set off by the Board against the requirement to spend up to immediate succeeding three financial years' subject to the following conditions:
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any
 - (ii) Board of the Company shall pass a resolution to that effect.

Annual Action Plan

CSR Committee shall prepare an Annual Action Plan of the amount to be spent on the CSR activities undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 in pursuance of CSR Policy and recommend the same to the Board. The amount to be spent shall be at least 2% of the average Net profit of last three financial years. Board of Directors are empowered to alter the annual action plan during the financial year, if so, recommended by the CSR Committee, based on a reasonable justification for such change.

Treatment of unspent Amount

Ongoing Project

Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed under the Act, shall be transferred **within a period of thirty days** from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the **Unspent Corporate Social Responsibility Account**, and such amount shall be spent by in pursuance of its obligation towards the Corporate Social Responsibility within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Other than Ongoing Project

If the Company fails to spend such amount on the CSR Activities, the Board shall in its report specify the reasons for not spending the amount and transfer such unspent amount to a fund **specified in schedule VII with in a period of six months** of the expiry of the financial year.

Monitoring

CSR Committee in order to review the progress of the implementation of the CSR Policy may meet at regular interval to:

- Designate any Company official to monitor and report/ inspect the activities undertaken and report to the CSR Committee with details of the cost incurred and results achieved on a regular basis
- Receive and review the above report
- Submit the monitoring report to the Board
- CSR initiatives of the Company will be reported in the Board Report of the Company in compliance with the section 135 of the Act and the rules made thereunder

Impact Assessment

- Company shall undertake impact assessment, , through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study if the average CSR obligation of the Company, in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years is ten crore rupees or more;
- The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- The Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

Information Dissemination

CSR Policy and the CSR activities undertaken shall be disseminated on the website of the Company for public access and shall be published in the Annual Report of the Company in the format prescribed under the Act and rules made thereunder.

Capital Assets

CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by -

- a. a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number, or
- b. beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities, or
- c. a public authority.

Amendment to Policy

Board of Directors of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities. Any notification/ circular or other statutory guideline(s)/ regulation(s) on the subject, that has the effect of amending any of the provisions quoted or referred to in this Policy, shall automatically have the effect of amending this Policy without the need of any further approval by the Board of Directors.

General

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Approved on 30th September, 2022 and as updated on 13th April, 2023
