

WE MOVE INDIA'S CARGO. WE ALSO GIVE BACK.

How Best Roadways Limited plans, funds, executes and reports its Corporate Social Responsibility activities.

COMPANY POLICY

CORPORATE SOCIAL RESPONSIBILITY POLICY

Framed under Section 135 and Schedule VII of the Companies Act, 2013. Covers all BRL locations in India.

AT A GLANCE

- 01 Two percent, every year** — At least 2% of average net profit (before tax) of the three preceding financial years is spent on CSR activities.
- 02 A Board committee decides** — A CSR Committee of three or more directors recommends the activities and the budget; the Board approves and oversees.
- 03 Schedule VII only** — Activities are drawn from Schedule VII of the Act — implemented directly or through eligible trusts, societies and Section 8 companies.

ISSUED BY

**Board of Directors,
Best Roadways Limited**

PROPOSALS VIA →

COMPANY SECRETARY

CORPORATE SOCIAL RESPONSIBILITY POLICY

Scope All BRL locations in India

Governed by CSR Committee & Board

Spend ≥ 2% of average net profit (PBT), last 3 FYs

I. PURPOSE

To adopt and promote, on the recommendation of the CSR Committee and the Board of Directors, any activity set out in Schedule VII of the Companies Act, 2013 as the Company's contribution towards Corporate Social Responsibility.

II. SCOPE AND LIMITATIONS

This Policy extends to all BRL locations in India. It is formulated in accordance with Section 135 of the Companies Act, 2013 and the rules framed thereunder, effective from 1 April 2014. Every company meeting the criteria in Section 135 is required to constitute a CSR Committee of the Board to implement CSR projects, programmes or activities.

The following are **not** treated as CSR under this Policy:

- Projects or activities that benefit only BRL employees and their families, or activities undertaken in the normal course of BRL's business.
- Employee contributions towards CSR projects or activities.
- One-off events such as marathons, awards, charitable contributions, advertisements or sponsorship of television programmes.
- Contributions of any amount, directly or indirectly, to any political party.
- Projects, programmes or activities undertaken outside India.

III. DEFINITIONS

Company Best Roadways Limited.

Board The Board of Directors of the Company.

CSR Includes, but is not limited to, projects or programmes relating to activities specified in Schedule VII of the Act, or undertaken by the Company on the recommendation of the CSR Committee and approved by the Board under this Policy in compliance with the Act.

CSR Committee The Corporate Social Responsibility Committee constituted by the Board under Section 135 of the Act.

Net Profit Net profit as per the Company's financial statements prepared under the Act, excluding (a) any profit from overseas branches, whether operated as a separate company or otherwise, and (b) any dividend received from other Indian companies covered by and complying with Section 135.

Policy

This CSR Policy, as amended from time to time. Words not defined here carry the meanings assigned under the Companies Act, 2013.

IV. OBJECTIVE

This Policy is formulated and adopted pursuant to Section 135 of the Companies Act, 2013 and the Rules framed thereunder. BRL undertakes CSR activities in relation to the activities specified in Schedule VII of the Act.

V. CONSTITUTION OF THE CSR COMMITTEE

- The CSR Committee consists of three or more directors of the Company.
- It may delegate its responsibility to any senior or key managerial person(s) or a sub-committee for implementation of CSR programmes; they work under the supervision of the Board and the CSR Committee and report activities and expenditure in accordance with this Policy and the Act.
- The Board reconstitutes the Committee as required to comply with the Act and applicable statutory requirements, or on movement of directors from the Board.
- Quorum is two members. The Committee meets at least once a financial year, in person or by video conference, and may transact business by circular resolution.
- The composition of the Committee is disclosed in the Board's report to shareholders.

VI. ROLE OF THE CSR COMMITTEE

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| 01 | Formulate and recommend to the Board a CSR Policy indicating the activities to be undertaken, as specified in Schedule VII of the Act. |
| 02 | Recommend the amount of expenditure to be incurred on those activities. |
| 03 | Monitor the CSR Policy from time to time. |
| 04 | Review and oversee the CSR Policy and external environmental issues that affect, or could affect, the Company's business activities, performance, public image and responsibilities under Indian law. |
| 05 | Assist the Board in determining how the Company can anticipate and adjust to CSR trends in order to achieve its goals more effectively. |
| 06 | Provide an overview of, and make recommendations to the Board on, proposals relating to CSR issues. |
| 07 | Offer advice and counsel to management on the effectiveness of the Company's CSR programmes and corporate citizenship. |

- 08** Undertake such additional activities as the Committee determines or as required by law, the Articles of Association or a directive of the Board.
- 09** Report regularly to the Board and recommend proposed actions for approval; review and reassess the adequacy of these terms of reference at least annually.
- 10** Evaluate its own performance at least annually to determine whether it is functioning effectively.

VII. ROLE OF THE BOARD

- Review the CSR Committee's recommendations on the annual CSR budget.
- Disclose the contents of this Policy in the Board's report and on BRL's website.
- Ensure that BRL spends, in every financial year, at least 2% of the average net profits (before tax) of the three immediately preceding financial years on CSR activities.
- Ensure CSR activities are undertaken and executed as per this Policy and applicable law.
- Specify in the Board's report the reasons if the minimum CSR expenditure is not fully spent.

VIII. CSR EXPENDITURE — INCLUSIONS AND EXCLUSIONS

- In every financial year, at least 2% of the Company's "average net profits" of the three immediately preceding financial years, calculated under Section 198 of the Act and the rules thereunder. Average net profit is profit before tax.
- Any income arising from the above activities, and any surplus arising out of CSR activities, is also applied to CSR. Such surplus does not form part of the Company's business profits.
- Contributions to any political party under Section 182 of the Act are not CSR.
- CSR spend includes all expenditure, including contribution to corpus, for projects approved by the Board on the CSR Committee's recommendation — but excludes any item not in line with Schedule VII of the Act.
- The CSR Committee approves expenditure on CSR activities within the monetary limits sanctioned by the Board.

IX. IMPLEMENTATION

CSR activities may be initiated, implemented or executed by the Company directly, or through:

- A registered trust, registered society or Section 8 company established by the Company or its holding, subsidiary or associate company.
- Where such an entity is not established by the Company or its group, a trust, society or company with an established track record of three years in undertaking CSR projects or programmes.
- Collaboration with other companies, in a manner that each company's part in the activity can be separately identified.
- Building CSR capacity of Company personnel and implementing agencies through institutions with a track record of at least three financial years — provided such expenditure does not exceed 5% of the Company's total CSR expenditure in a financial year.

The CSR Committee has full discretion to specify or modify the modalities of execution of CSR projects or programmes and to determine implementation schedules.

X. MONITORING

The CSR Committee is responsible for periodically monitoring the implementation of projects, programmes and activities under this Policy and for ensuring compliance with the CSR provisions of the Companies Act, 2013 and the rules framed thereunder. Progress of CSR initiatives is reported to the Board on a regular basis.

XI. CSR REPORTING

The Board's report includes an annual report on CSR containing:

- A brief outline of the Policy, an overview of proposed projects or programmes, and a web link to the Policy and projects.
- The composition of the CSR Committee.
- Average net profit of the Company for the last three financial years.
- Prescribed CSR expenditure (2% of that average net profit).
- Details of actual CSR spend during the financial year.
- Reasons for any shortfall against the 2% requirement.
- A responsibility statement of the CSR Committee that implementation and monitoring of the Policy comply with the Company's CSR objectives.

XII. AMENDMENTS

Any modification or amendment to this Policy may be carried out by the Board on the recommendation of the CSR Committee. The Policy is subject to change as per the applicable Act, rules, regulations and government guidelines. The Board reviews the Policy annually, or at such shorter interval as may be required.

HAVE A CAUSE WORTH BACKING?

Proposals for CSR projects aligned with Schedule VII can be put to the CSR Committee through the Company Secretary.

COMPANY SECRETARY