



**CORPORATE SOCIAL**  
**RESPONSIBILITY (CSR)**  
**POLICY**

## **1. BACKGROUND**

Pursuant to section 135 sub-section (1) of the Companies Act, 2013 every company, private limited or public limited, which either has a net worth of Rs. 500 crore or more or a turnover of Rs. 1,000 crore or more or net profit of Rs. 5 crore or more, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. The CSR activities should not be undertaken in the normal course of business and must be with respect to any of the activities mentioned in Schedule VII of Companies Act, 2013.

## **2. OBCL PHILOSOPHY**

OBCL is committed to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner which is transparent and ethical. Therefore, our intent is to make a positive difference to society by addressing social concerns and making positive change in the lives of stakeholders and communities through CSR programmes and social initiatives.

## **3. OBJECTIVE**

The main objective of CSR policy is to lay down guidelines for the Company to make CSR, a key business process for sustainable development. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

## **4. DEFINITIONS**

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act, 2013 including any modifications, amendments or re-enactments thereof.
2. "Board" or "the Board" means, the Board of Directors of the Company.
3. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modification, amendments or re-enactment thereof.
4. "Financial Year" shall mean the period beginning from 1<sup>st</sup> April every year to 31<sup>st</sup> March of the succeeding year.

5. "Agency" or "Agencies" shall mean:-
- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or
  - (b) a company established under section 8 of the Act 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 an established track record of at least three years in undertaking similar activities.
6. "The Committee" or "CSR Committee" shall mean the Corporate Social Responsibility Committee as constituted or reconstituted by the Board of Directors of the Company, from time-to-time, In accordance with the Act and the Rules made there under, comprising of three or more Directors.
7. "CSR Policy" shall mean this policy containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
8. "CSR Activities" shall mean Corporate Social Responsibility activities/programs /initiatives/green belt/ Environment Protection / Ecological balance etc. either new or ongoing, at and around Corporate Office, project office of the Company, its subsidiaries and associates wherever located, including but not limited to those recommended by the CSR Committee and approved by the Board.
9. "CSR Expenditure" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following:
- I. Contribution to CSR activities which shall be implemented and /or executed by the Company.
  - II. Contribution to CSR activities which shall be implemented and/or executed by the Company or through any other Agency or Agencies.
  - III. Any other contribution covered under Schedule VII to the Act.

10. "Trust" shall mean a trust formed and registered under the Indian Trust Act, 1882 and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.
11. "Section" means a section of the Act.

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."

## **5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board, in compliance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, has constituted a Corporate Social Responsibility Committee consisting of three or more Directors including atleast one Independent Director.

Consistent with the above, the Company has constituted a CSR Committee of the Board of Directors.

## **6. ROLES AND RESPONSIBILITIES OF CSR COMMITTEE**

CSR Committee to, inter-alia, carry out following functions:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act,2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- c. To monitor the CSR policy of the Company from time to time;
- d. To monitor the activities and expenditure made during year;
- e. Submit a report to the board of directors on all CSR activities undertaken during the financial year which shall duly be displayed on the Company's website.
- f. Ensure Reporting and communication to stakeholders on company's CSR Projects/ initiatives
- g. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

## 7. CSR ACTIVITIES

Schedule VII to the Companies Act, 2013 specifies activities which a Company is required to undertake. OBC Ltd. may undertake any activities specified under said Schedule VII. Currently OBC Ltd. will focus to support and implement activities relating to:

- (i) 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;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) 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;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- (v) 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 arts and handicrafts;
- (vi) 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;
- (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- (viii) 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) Contributions or funds provided to technology incubators located within academic Institutions which are approved by the Central Government;

(x) Rural development projects;

(xi) 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.

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

## **8. FUNDING AND IMPLEMENTATION**

In alignment with the Companies Act, 2013, at least 2% of the average of net profits of the company made during the three immediately preceding financial years shall be earmarked as CSR Budget.

CSR Committee will ensure that the amount earmarked for CSR activities is spent for the identified CSR activities either directly by itself or through Agencies. The Committee will periodically identify the CSR activities, budget, planned expenditure and implementation schedule etc.

The annual planned expenditure for the CSR activities and manner of implementation etc. after review and consideration by the CSR Committee shall be submitted for approval of the Board.

Mainly, CSR activities will be carried out directly or indirectly at the corporate office, preferably in and around the area soft he project so the Company. The CSR activities will be carried out/implemented, directly by itself or indirectly through Agencies. The Company has an option to spend such statutory minimum amount through one or more Agencies.

The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a given Financial Year.

So, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134 (3)(o) of the Act.

## **9. MONITORING**

- a. The CSR Committee shall meet at least twice in a year to monitor the implementation of CSR plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the Company's website.
- b. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.
- c. The Company Secretary of the Company shall assist the CSR activities and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

## **10. AMENDMENTS**

The Board of Directors of the Company, may at the recommendation of the CSR Committee or otherwise, is entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the CSR Committee in line with the broad intent of the Policy and in consultation with the Board of Directors.

The Policy shall stand amended in case of any statutory modifications or amendments in the Act or Rules pertaining to CSR to the extent of such amendment.

## **11. DISCLOSURE**

This Policy shall be placed on the Company's website in accordance with provisions of the Companies Act, 2013 and the rules made thereunder.

## **12. REVIEW**

This Policy shall be subject to review as may be deemed necessary and in accordance with any statutory and regulatory amendments.

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