



MEP INFRASTRUCTURE DEVELOPERS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. INTRODUCTION:

MEP Infrastructure Developers Limited (“MEP”) was incorporated under the Companies Act, 1956 on 8th August, 2002.

MEP has a vision to “Enhance Stakeholder value while adhering to the code of ‘Responsible Care’ and Ethical Values”.

To actualize this vision, MEP has set the following mission before itself:

Through innovations, constantly endeavor to bring better services and processes that create greater value for the society and thereby ensuring:-

- Effective contribution to the society
- Value addition to the Stakeholders
- Growth and Development of its employees

MEP’s Corporate Social Responsibility (“CSR”) policy is –

“To remain a responsible corporate entity mindful of its social responsibilities to all stakeholders including consumers, shareholders, employees, local community and society at large”.

Further, MEP endeavors to ensure increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interest of all its stakeholders.

2. DEFINITIONS:

Unless the context so requires, the terms used herein shall have meaning assigned herein:

- (i) “Act” means Companies Act, 2013.
- (ii) “Average Net Profit” shall have the same meaning as prescribed in Section 135 of the Act read with the Rules.
- (iii) “Board” shall mean Board of Directors of MEP.
- (iv) “CSR activities” shall mean the projects or programs or activities undertaken / to be undertaken by MEP as prescribed in Clause 5.
- (v) “CSR Committee” shall mean a Committee duly constituted by the Board pursuant to provisions of Section 135 of the Act.
- (vi) “CSR Policy” shall mean Corporate Social Responsibility Policy of MEP.
- (vii) “MEP” or “Company” shall mean MEP Infrastructure Developers Limited.
- (viii) “Rules” means Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time.

3. SCOPE:

The CSR Policy applies to the formulation, execution, monitoring, evaluation, and documentation of CSR activities in the target locations, in and around Company's offices and plants.

4. AIMS AND OBJECTIVES:

As a responsible corporate entity, MEP will consistently strive for opportunities to meet the expectation of its stakeholders by pursuing the concept of sustainable development with focus on the following:-

- a) Enhance the quality of life of the people in areas surrounding the Offices and Plazas;
- b) Integrate social goals and to address the aspirations of the Stakeholders, in line with the practice of sustainable development and inclusive growth;
- c) Create a positive impact by making sustainable developments in the society and promote good environmental practices;
- d) Be responsible and responsive corporate citizen through endeavors to create a safe, harmonious and ecologically balanced environment for its members and the community at large.
- e) Maintain commitment to quality, health and safety in every aspect of the business and people;

5. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY:

MEP would endeavor to adopt an integrated approach to address the community, societal & environmental concerns by taking up projects or programs relating to the following activities:

- 5.1 Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water
- 5.2 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 5.3 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;

- 5.4 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 set-up by the Central Government for rejuvenation of river Ganga.
- 5.5 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;
- 5.6 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]
- 5.7 Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- 5.8 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;
- 5.9 (a) 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
 (b) 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).
- 5.10 Rural development projects;
- 5.11 Slum area development;
- 5.12 Disaster management, including relief, rehabilitation and reconstruction activities;
- 5.13 Such other activities as are allowed under Section 135 of the Act read with the Rules and Schedule VII to the Act as amended time to time.

6. LOCATIONS/GEOGRAPHY OF CSR ACTIVITIES:

The CSR activities will be primarily taken up in the immediate vicinities of MEP's Offices and Toll Plazas. Apart from immediate vicinity areas, CSR activities may also be taken up in urban, rural and tribal communities, wherein social engagement by MEP is warranted as per needs assessment.

7. UNDERTAKING CSR ACTIVITIES

The CSR activities will be carried out either by MEP itself or through Trust and/or any foundation as established or by a registered society or by a company established under Section 8 of the Companies Act, 2013 (collectively hereafter referred to as "Agency").

8. IMPLEMENTATION MECHANISM

While identifying the CSR activities, MEP and Agency would consider the following broad parameters while selection of projects or programs:

- 8.1 Preference should be given to the local areas and areas where MEP has its Offices and Toll Plazas.
- 8.2 CSR activities should be undertaken as project or program based rather than in the form of donation, so as to create social impact and visibility.
- 8.3 While implementing the identified projects or programs, time frames and milestones should be predefined.
- 8.4 CSR activities may be based on fundamentals of sustainable development

9. PLANNING AND CO-ORDINATION

- 9.1 The specific projects or programs will be identified and formulated based on need assessment surveys for identifying the specific areas of concern. Based on the survey, a detailed project or program report will be prepared by the Agency detailing the need for the specific project or program, time frame for implementation and budget.
- 9.2 MEP will prepare an annual plan for each year within the budgetary provisions and will be placed before the CSR Committee for recommendation to the Board for approval.
- 9.3 The target beneficiaries, the local authorities, professionals and institutions etc. involved in similar activities if need be, may be consulted/ associated in the process of planning and implementation of the CSR activities.
- 9.4 Agency will hire professionals on need basis wherever considered necessary to plan and implement various projects.
- 9.5 The focus of delivering services /benefits will be in line with the CSR activities mentioned in this document and as per programs, projects and schemes approved.

10. BUDGET FOR CSR ACTIVITIES:

- 10.1 The CSR Committee shall, after the end of each financial year, recommend to the Board, the amount of expenditure to be incurred on the CSR activities.
- 10.2 The amount of such expenditure shall not be less than 2% of the Average Net Profits of MEP made during the three immediately preceding financial years.
- 10.3 The Company may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the company.
- 10.4 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, within a period of 30 days from the date of completion of the third financial year.
- 10.5 The expenditure on CSR activities shall include all expenditure on projects or programs relating to CSR activities, but does not include any expenditure on an item not in conformity or not in line with CSR activities.
- 10.6 Based on the total approved Budget, the Chairman & Managing Director of MEP would be authorized to allocate funds for different projects on the basis of identified CSR plans on yearly basis, under different budget heads for undertaking CSR activities.

11. MONITORING PROCESS OF CSR POLICY:

- 11.1 MEP would be responsible for needs assessment of the surrounding locations, preparation of CDAP (Community Development Action Plan), implementation, reporting and monitoring on the physical and financial progress of the CSR activities on a regular basis.
- 11.2 Agency to form a team, comprising of such number of executives as may be required, in consultation with MEP, for implementation of CSR activities.
- 11.3 A group of members among HR department and Compliance department at Corporate Office would be identified for coordinating CSR activities and related responsibilities.
- 11.4 The implementation and progress of CSR activities shall be regularly monitored by MEP management, preferably on a quarterly basis.
- 11.5 The CSR Policy shall be monitored by the CSR Committee from time to time, at least once in six months.

- 11.6 On advice of CSR Committee, selected CSR activities may be taken up for evaluation through an outside agency.
- 11.7 The CSR Committee would also provide required feedback and inputs to formulate and improve the projects or programs, from time to time, as per need and requirement.
- 11.8 Efforts will also be made to quantify the impact made by CSR activities, to the best possible extent, with the baseline data/existing status surveys developed before the start of any CSR activities.

12. REPORTING:

- 12.1 A half yearly report on activities / projects identified / implemented shall be submitted to CSR Committee.
- 12.2 Based on the monitoring reports collected from Agency, the activities undertaken by MEP will be reported and form part of the Board's Report of MEP.
- 12.3 The Board of Directors of MEP will also be kept informed, from time to time, on the CSR activities undertaken by MEP.

13. ROLE OF CSR COMMITTEE:

- 13.1 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 (as amended from time to time).
- 13.2 To recommend the amount of expenditure to be incurred on the activities in a financial year.
- 13.3 To monitor the Corporate Social Responsibility Policy of the company from time to time.
- 13.4 Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company.

14. RESPONSIBILITIES OF THE BOARD:

The Board shall:

- 14.1 Form a CSR Committee and disclose the composition of the CSR Committee.
- 14.2 Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- 14.3 Place the CSR Policy on the Company's website.
- 14.4 Ensure implementation of the activities under CSR
- 14.5 Ensure expenditure of requisite amount on CSR every year as per law.

- 14.6 Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- 14.7. Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- 14.8 Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board / CSR Committee and the Chief Financial Officer shall certify to the effect.
- 14.9 Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of BIL shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.

15. CRITERIA FOR IDENTIFYING EXECUTING PARTNERS:

In case of programme execution by NGOs/Any Foundations/Voluntary organizations the following minimum criteria should be required to be ensured:

- 15.1 The NGO/Any Foundation(s)/Agency must have a permanent office/address in India.
- 15.2 The NGO should be a registered public Trust or a Society having a duly executed Trust Deed/Memorandum of Association.
- 15.3 It should have registration Certificates under Section 12A, Section 80G, etc. of the Income Tax Act, 1961, registration under FCRA (wherever mandatory) and other applicable registrations.
- 15.4 It should have a Permanent Account Number (PAN).
- 15.5 Last 3 years audited statement of accounts.
- 15.6 Last 3 years income tax return.
- 15.7 Last 3 years FC return (applicable to organizations with FCRA registration).
- 15.8 The antecedents of the NGO / Agency are verifiable / subject to confirmation.
- 15.9 Should have a team of professional expertise and system to maintain Books of Accounts and to generate necessary Reports on the supported programmes.

Provided that in case of any amendment in the Act / the Rules specifying any criteria for implementing agencies, the same shall be applicable in addition to the above criteria (to the extent applicable). Provided also that the CSR Committee may waive one or more of the above criteria on case to case basis.

16. ENGAGEMENT OF INTERNATIONAL ORGANISATIONS

The Company may engage international organisation(s) for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of its personnel for CSR.

17. CSR ANNUAL ACTION PLAN (CAAP):

The CSR Committee shall formulate and recommend to the Board of Directors, a CAAP in pursuance of this Policy, which shall include focus areas for the year the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act, manner of execution, the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring mechanism, etc. The Board of Directors may approve the CAAP with such further conditions as it deems fit and further alter CAAP at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

18. GENERAL:

- 18.1 The surplus arising out of CSR projects or programs shall not form part of the business profits of MEP.
- 18.2 Any amendment or modification to the CSR Policy shall be approved by the Board on the recommendation of CSR Committee.
- 18.3 The contents of this Policy along with composition of the CSR committee, and projects approved by the Board are also made available on the website (if any) of the Company.
- 18.4 Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government, from time to time.
- 18.5 The Company reserves the right to modify, cancel, add, or amend any of these Rules.