

BRIGADE HOTEL VENTURES LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

This Policy shall come into effect from October 5, 2024

Introduction:

Brigade Hotel Ventures Limited (BHVL/ the Company) has framed the Corporate Social Responsibility policy in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the Companies Act, 2013.

Corporate Social Responsibility (CSR) can be defined as the commitment of a company to set apart resources to support activities aimed at enhancing socio-economic development. Typically it constitutes an effort to improve living conditions of the local area in which the Company operates and to benefit society at large. The idea is to expend resources in order to create a positive impact in the community and on society, without seeking any commensurate monetary benefit.

BHVL is fully committed to proactively support inclusive and environmentally sustainable growth in India. It genuinely believes that the benefits of development should reach a larger number of people, especially the weaker sections of society, to whom greater access to opportunities is the surest way to enable all round socio economic progress. Likewise, it is committed to environmentally sustainable development in all areas, given the challenges of climate change that call for measures for mitigation and adaptation in a number of areas to preserve the environment for future generations. Finally, BHVL fully supports the principle that Companies should fulfil their responsibilities to society by engaging with the communities that support them, in their quest for growth and profitability, by engaging in socio economic initiatives in a meaningful way, given that development is the responsibility of all.

The CSR Policy of the Company sets out the framework which will guide the Company's CSR activities. The Policy also sets out the rules that need to be adhered to while designing and implementing CSR activities.

A. Scope and application of CSR policy:

The policy pertains to all activities undertaken by the company towards fulfilling its corporate social responsibility objectives. The Policy would also ensure compliance with Section 135 of the Companies Act, 2013, (the Act), read with Schedule VII, related rules and circulars issued from time to time.

B. Definitions:

Unless otherwise required by the context:

"Act" means the Companies Act, 2013

"Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:

- Activities undertaken in pursuance of normal course of business of the company;
- Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019;
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India;

"CSR Committee"/" Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

"CSR Policy" means this policy which relates to the activities undertaken by BHVL as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken by BHVL in pursuance of normal course of business.

OR

"CSR Policy" means a statement 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;

"Net Profit" means the net profit of BHVL as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely: -

Any profit arising from overseas branch or branches of BHVL, whether operated as a separate company or otherwise; and any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.

Words and expressions used but not defined in this Policy but defined in the Act or the rules made thereunder shall have the same meanings respectively assigned to them in the Act or the rules.

C. Governance Structure and Composition:

The CSR Committee shall be comprised in accordance with the requirements of Applicable Law. This CSR Policy, details of the composition of the CSR Committee and projects approved by the Board shall be hosted on the Company's website at www.BHVL.in

The Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors of BHVL is the governing body that will articulate the scope of activities for the Company and ensure compliance with the CSR Policy. The CSR Committee shall consist of three or more Directors, including at least one independent Director.

The Company through a registered trust or a registered society can undertake CSR activities as per the provisions of the Companies Act, 2013. Accordingly, Brigade Foundation which is a non-profit organisation or such other entity will work closely with and support the Board and the CSR Committee in implementing CSR activities of the Company.

D. Functions of CSR Committee:

- a. Formulate and recommend to the Board for approval the CSR Policy and any amendments thereto;
- b. Advise the Board on the activities to be undertaken by the company as specified in the Act and this CSR policy.
- c. Review and recommend the annual CSR plan and the concomitant budgetary outlays to the Board for approval;
- d. Monitor the CSR activities and compliance with the CSR Policy at regular intervals;
- e. Review and implement, as needed, any other matter related to CSR initiatives.

The CSR Committee shall meet at least twice in every financial year and the Quorum of the Meeting shall be one-third of its total strength or two Members, whichever is higher.

The Board of Directors of BHVL shall:

- a. Approve the CSR Policy and any amendments thereto, based on the recommendations of the CSR Committee;
- b. Approve the CSR activities and annual CSR plan based on the recommendations of the CSR Committee;
- c. Review the CSR Activities

E. Corporate Social Responsibility Activities:

The CSR Committee will consider and recommend for approval of the Board, the projects or programmes that BHVL should undertake as CSR.

Primary Focus Areas of Engagement includes:

Health	Promoting health care includes sanitation and preventive health care
Skill Development/ Education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
Promotion of music and other culture	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
Environment	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

Apart from the above, Company may also engage and spend in areas mentioned in Schedule VII of the Companies Act, 2013, subject to approval of the CSR Committee.

F. Implementation framework for CSR Activities:

1. CSR activities will be undertaken in areas identified by the CSR Committee and articulated in the CSR Policy. An annual CSR plan shall be presented to the CSR Committee and its recommendations shall be submitted to the Board of Directors of BHVL for approval.

2. CSR activities may be undertaken by the Company directly or through any not for profit entities, including such not for profit entities set up by the Company.

3. The contributions made to such not for profit institutions will form part of the CSR outlay of the Company.

4. Activities undertaken under CSR may include projects being implemented directly by the company, as well as contributions to not for profit entities that the Company agrees to finance as part of CSR. Such entities and projects shall be supported after a thorough due diligence on the credibility of the agency and track record in implementing CSR projects. The agency should desirably have a track record of not less than three years in implementing such projects.

5. The responsibility matrix for monitoring and implementation of identified CSR activities/projects within the organisation shall be clearly defined.

6. The Annual CSR Plan shall incorporate the following:

- The prescribed outlay on CSR for the said financial year as per the Act and related rules as amended from time to time;
- Key CSR activities proposed to be implemented during the year with detailed justification of their eligibility for classification as CSR under the Act and related rules, and their conformity with the CSR Policy. An implementation schedule should be clearly indicated for each of the activities.
- Proposed outlay on each activity, within the overall CSR outlay for the year.
- Details of activities to be implemented by the Company directly and those entrusted to non-profit entities, both of the Company and outside agencies, along with details of the contributions to be made during the year from the budgetary outlay.

- The aggregate proposed budgetary outlay and reasons for shortfall if any compared to the prescribed outlay.
- Unspent amount, if any, for the financial year, unless it is earmarked for an Ongoing Project as approved by the Board, shall be transferred to the respective fund as stipulated in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time, within 6 months from the end of the financial year.

Unspent amount pertaining to an Ongoing Project, shall be transferred to a dedicated bank account for this purpose within 30 days from the end of financial year and spent within a period of three years thereon 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.

- In case where the Company has incurred heavy losses in preceding three financial years, the Company shall not be required to spend any money for the CSR activities during such financial year and shall in its Board report specify the reasons for not spending the amount.

7. The authority to incur expenditure under the above plan shall be as per approval accorded by the Board of Directors of BHVL.

8. Funds may be disbursed in a single tranche or multiple tranches as per agreed terms and conditions based on the requirements of the project.

9. Surplus if any arising from CSR projects or programs or activities shall not form part of the business profit of the Company and shall be ploughed back into:

- (i) the same project or
- (ii) shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or
- (iii) transfer such surplus amount to a Fund specified in Schedule VII within a period of six months of the expiry of the financial year.

10. Where the Company spends an amount in excess of requirement provided under Section 135(5), such excess amount may be set off against the requirement to spend under Section 135(5) up to immediately succeeding three financial years subject to the conditions as specified under the Act.

11. In case there is a conflict between the Policy and the Act, the Act shall prevail.

G. Annual Action Plan:

The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan ('AAP') in pursuance of its CSR Policy, which shall include the following:

- a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

- b) the manner of execution of such projects or programs as specified in sub-rule (1) of rule 4 of the Companies (Corporate Social Responsibility Policy), Rules, 2014;
- c) the modalities of utilization of funds and implementation schedules for the projects or programs;
- d) monitoring and reporting mechanism for the projects or programs; and
- e) 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

H. Monitoring:

1. The CSR Committed shall ensure a transparent monitoring mechanism for all CSR Activities.
2. The CSR Committee shall approve the CSR Plan in the first quarter meeting of the financial year or the last quarter meeting of the previous year, based on feasibility.
3. The CSR Committee shall review the progress of CSR Activities at least twice a year.
4. The CFO shall be responsible for monitoring expenses on CSR Activities with respect to the Plan approved and submission of the same to the CSR Committee and the Board.
5. An annual review of the CSR Activities shall be undertaken by the Board.

I. Impact Assessment:

Impact Assessment for applicable projects will be undertaken periodically through independent and competent agencies/ institutions as per project time -period framework.

Impact assessment is mandatory for companies with a CSR budget of INR 10 crore or more.

J. Reporting:

Information on the spending by BHVL shall be disseminated on periodic basis in its Annual Report.

Expenditure on CSR activities that qualify to be recognized as an expense shall be presented as a separate line item as the CSR 'expenditure in the Statement of profit and loss. Further the relevant note relating to the CSR expenditure shall disclose the break-up of various heads of expenses included in the line item CSR expenditure.

If there is any contractual liability incurred for which a provision has been created in the balance sheet for the amount spent on the CSR activity, such provision shall be presented as per Schedule III to the Companies Act, 2013. Movements in the provision during the year shall be shown separately. Disclosure has to be made in the Cash flow statement (where applicable).

K. Employees engagement in CSR:

BHVL supports the involvement of its employees in CSR activities.

L. Capacity Building for CSR:

The Company will engage in capacity building as appropriate to strengthen and improve its delivery and reach on CSR activities.

M. Review:

This policy will be reviewed periodically by the Board/ CSR Committee as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors in cases of material changes to the Policy.
