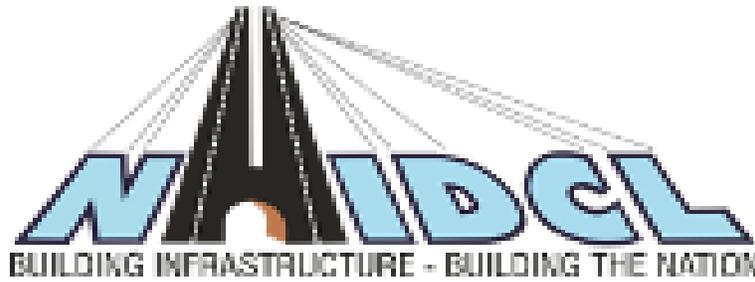


NATIONAL HIGHWAYS & INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED



Composition of CSR Committee as on 31.03.2023

S.No	Name & Designation of Director	Composition of Committee	CSR
1.	Sh. Mahmood Ahmed, Govt. Nominee Director, NHIDCL	Chairman	
2.	Sh. Anshu Manish Khalkho, Director(A&F), NHIDCL	Member	
3.	Sh. Pradeep Kumar Saraogi, Independent Director, NHIDCL	Member	

Corporate Social Responsibility Policy

1. About NHIDCL

National Highways and Infrastructure Development Corporation Limited (NHIDCL) was incorporated on 18th July, 2014 as a Government Company under the provisions of the Companies Act, 2013. The Company was incorporated with the objective to fast pace the construction of National Highways and other infrastructure in the North East and strategic areas of the Country which share international boundaries and will facilitate trade with neighbouring countries. NHIDCL is under the administrative control of the Ministry of Road Transport & Highways (MoRTH), Government of India.

2. Objectives

As a responsible Corporate Citizen since its inception, National Highways & Infrastructure Development Corporation Limited (NHIDCL) endeavours to improve the quality of life in the neighbourhood community through various Corporate Social Responsibility (CSR) Activities.

NHIDCL recognizes that Corporate Social Responsibility is not merely compliance of the Rules, but a commitment to support initiatives that will improve the lives of the underprivileged. CSR activities shall be undertaken by the Company as projects, programs or activities (either new or ongoing) excluding those activities in pursuance of the normal course of business of the Company.

3. Definition

- a) Act' means Companies Act, 2013;
- b) BoD means Board of Directors of NHIDCL.
- c) Company means National Highways and Infrastructure Development Corporation Limited (NHIDCL)
- d) Corporate Social Responsibility means and includes but not limited to:-
 - i) Projects or programs relating to activities, areas or subject, specified in Schedule VII to Act; or
 - ii) Projects or programs relating to activities undertaken by the Board of Directors of the Company (Board) in pursuance of recommendations of the Corporate Social Responsibility Committee of the Board as per declared CSR policy of the Company subject to the condition that such policy will include activities, areas or subjects specified in Schedule VII of the Act.

- e) CSR Committee means the Corporate Social Responsibility Committee of the Board.
- f) CSR Policy relates to the activities to be undertaken by the Company in areas or subjects specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a Company.
- g) DPE means Department of Public Enterprises;
- h) 'Ministry' means the Ministry of Road Transport and Highways(MoRTH);
- i) 'Net Profit' means the net profit of a Company as per its Financial Statements prepared in accordance with Section 198 of the Act or any other applicable provisions, but shall not include the following namely:-
 - i. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
 - ii. any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

4. Preamble

The CSR Policy of the Company shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other Rules, Regulations, circulars, and notifications (collectively referred hereinafter as Regulations) as may be applicable and as amended/notified from time to time and will, inter-alia, provide for the following:

- a) Establishing a Guideline for compliance with the provisions of the Regulations to dedicate a percentage of Company's profits for CSR activities.
- b) Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

This Policy supersedes the previous "CSR Policy" approved by the Board of Directors of NHIDCL during its 13th Meeting held on 09.02.2018.

This policy is treated as CSR cum Sustainable Development Policy as CSR includes Sustainability matters as per Schedule VII of the Companies Act. This also fulfils the requirement of DPE Guideline on CSR and Sustainability and is to be treated as CSR and Sustainability Policy in compliance with DPE Guidelines.

5. CSR Budget and Expenditure.

5.1 CSR Budget shall be fixed for each financial year with the approval of the BoD. CSR spending shall be at least 2% of the average net profits of the Company made during immediately preceding three financial years. Every effort shall be made to spend the entire yearly budget on CSR activities in that year itself.

5.2¹ In case of failure to spend the allocated budget amount for CSR of any particular Financial Year, the reasons for not spending the amount shall be specified in the Board's Report and unless the unspent amount relates to any ongoing project, referred to in section 135(6) transfer such unspent amount to a fund specified in Schedule VII within a period of 6 months of the expiry of the financial year.

5.3¹ Any amount remaining unspent pursuant to any ongoing project, shall be transferred within a period of 30 days from the end of the financial year to a special account to be opened 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 the Company in pursuance of its obligation towards CSR Policy, within a period of 3 financial year from the date of such transfer, failing which, the amount shall be transferred to a Fund specified in Schedule VII within a period of 30 days from the date of completion of the third financial year.

5.4 The Company may build CSR capacities of its personnel and/or those of its implementing Agencies through Institutions with established track records of at least three financial years provided that such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

5.5 The Following expenditure, if so incurred, shall not be considered CSR Expenditure for the purpose of the Act and Rules made there under:-

- a) Expenditure on CSR Projects/ programs/ activities undertaken outside India.
- b) The CSR Projects/programs/activities that benefit only the employees of the Company and their families
- c) Contribution of any amount directly or indirectly to any political party.
- d) One-off Event such as marathons/ awards/charitable contribution/ advertisement/sponsorship of TV programmes, etc would not be qualified as part of CSR expenditure.

¹ The provisions of this clause shall be effective from such date as the Central Government, may by notification in the Official Gazette appoints for relevant Section of the Companies(Amendment) Act, 2019.

- e) Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.) would not count as CSR expenditure under the Act.

5.6 Surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of a Company.

6. Planning and Selection of Projects

6.1 CSR Fund of the Company shall be utilised for the activities specified in Schedule VII of the Companies Act, 2013(Annex-I) and on the following activities, subject to the approval of the Board of Directors.

- a) Supporting Driving Training Schools
- b) Holding Eye Testing Camps for Drivers

6.2 While selecting CSR activities/projects from the activities listed in Schedule VII of the Act, NHIDCL should give priority to the issues which are of foremost concern in the national development agenda, like safe drinking water for all, provision of toilets especially for girls, health and sanitation, education, etc. The main focus of CSR and Sustainability policy of the Company should be on sustainable development and inclusive growth, and to address the basic needs of deprived, under privileged, neglected and weaker sections of the Society which comprise of SC, ST, OBCs, minorities, BPL families, old and aged, women/ girl child, physically challenged, etc.

6.3 As mentioned in the Act, NHIDCL will give preference to the 'Local Area' in selecting the location of CSR activities. Local Area would mean the area where NHIDCL operates.

6.4 After giving due preference to the 'Local Area' NHIDCL may also undertake CSR activities anywhere in the Country. For optimal use of resources, the Company may join hands with other CPSEs for mega projects which would have greater visibility, more number of beneficiaries, and long terms visible impact.

6.5 The projects will be taken up based on the viability, relevance to societal needs, outlay, beneficiaries, reach and coverage in the Companies Act, 2013.

7. CSR Committee

Initially, CSR Committee was constituted by the Board in its 11th Meeting held on 26.07.2017. A quorum of two members will be required to be present for the proceedings to take place. The Committee shall have the authority to call such employee(s), senior officials(s) and or externals, as it deems fit. As per Section 135 of the Act the CSR Committee shall comprise of three or more directors out of which one shall be Independent Director. The CSR Committee can be re-constituted by the Board at any time and CSR committee Meeting may be held as often as considered necessary subject to a minimum of two meetings shall be held in a financial year.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee/ external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

8. Implementation & Monitoring Process.

- 8.1 Allocation of CSR Funds may be decided after ascertaining the needs in the Project States through the Branch/ Regional Offices. The proposals may be routed through the Executive Director (Projects) at the Regional Office. Based on internal recommendations of CSR projects to be undertaken in the financial year, the Director (A&F) may shortlist the individual projects and place the same before the CSR Committee for approval and recommendation to the Board.
- 8.2 The CSR Committee will be responsible for monitoring projects/programmes through persons/entities authorized by it who will conduct due diligence checks on the current projects on periodic basis and report anomalies, if any, immediately through:
 - i. Regular field visits to projects/ programees sites
 - ii. Comprehensive Documentation/ compilation of Field Reports
 - iii. Regular interaction with beneficiary communities to obtain feedback.
 - iv. Monitoring of timely fund utilization to ensure that Projects/Programmes as budget are actually are being carried out and/or
 - v. Any other activity that the CSR Committee may deem necessary in the larger interest of its CSR initiatives.

- vi. The monitoring of the projects shall be carried out and periodic report shall be submitted to the CSR Committee.
- vii. Initiatives undertaken on the CSR Front will be reported in the Annual Report of the Company.

9. Documentation and Reporting

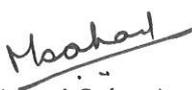
- 9.1 The Company will include a separate report in its Annual Report reflecting the implementation of CSR & Sustainability activities in accordance with the Rule 8 of Companies (Corporate Social Responsibility) Rules 2014. The format of the report is placed as Annex-II.
- 9.2 The Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.

10. General/Amendment

- 10.1 The policy will be subject to changes as per Government Guidelines and Regulations and provisions of Companies Act, 2013 and rules made there under.
- 10.2 The Policy would serve as the Referral document for planning and selection of CSR activities. However, in case of any doubt/issue, cross reference to the Companies Act 2013 and corresponding rules is advised to avoid any inconsistency with the latter.
- 10.3 Any notifications, amendments issued by the Ministry of Corporate Affairs or DPE from time-to-time will be treated as a part of this policy.

For and on behalf of Board of Directors


(Meenakshi Mishra)
Independent Director


(Manoj Sahay)
Director(A&F)

CSR Activities to be undertaken by the Company as per SCHEDULE VII of the Companies Act , 2013.

- (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 centres 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 set-up 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 art 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 recognised 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) 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(DEA); Department of Biotechnology (DBT); Department of Science and Technology(DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence 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).
- (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.

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD REPORT

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. Composition of CSR Committee.
3. Average Net Profit of the Company for last three financial years.
4. Prescribed CSR Expenditure(2 percent of the amount as in item no.3 above)
5. Details of CSR spent during the Financial Year
 - a. Total Amount to be spent for the Financial year :
 - b. Amount unspent, if any :
 - c. Manner in which the amount spent during the Financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR Project or Activity Identified	Sector in which the Project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Amount in Rs.)	Amount spent on the projects or programs sub-heads: (1)Direct expenditure on projects or programs (2)Over-heads: (Amount in Rs.)	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the company.

Sd/- (Chief Executive Officer or Managing Director or Director)	Sd/- (Chairman CSR & SD Committee)	Sd/- (Persons specified under clause(d) of Sub-section(1) of Section 380 of the Act) (wherever applicable)
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