

BIHAR HOTELS LIMITED

South Gandhi Maidan, Fraser Road, Patna:800001

+91 612 2203040

maurya@maurya.com | www.maurya.com

CIN:U55101BR1964PLC000737

CORPORATE SOCIAL RESPONSIBILITY POLICY OF BIHAR HOTELS LIMITED

The Corporate Social Responsibility (CSR) Policy of Bihar Hotels Limited was first approved by the Board of Directors at its meeting held on 12th February, 2015. Since its inception, the policy was amended once on 18th December, 2019, and again on 10th December, 2024. The latest amendment aligns the policy with the Companies (CSR Policy) Amendment Rules, 2021, notified on 22nd January 2021.

1. MEANING

“Corporate Social Responsibility (CSR)” means the activities undertaken by a Company in pursuance of its statutory obligation laid down under section 135 of the Companies Act, 2013 and rules made there under, but shall not include the following, namely:-

- (i) activities undertaken in pursuance of normal course of business of the company;
- (ii) 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;
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

2. PURPOSE

This Corporate Social Responsibility Policy (“CSR Policy”) of **Bihar Hotels Limited** has been approved by the Board of Directors at its meeting held on 10.12.2024. This policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

3. EFFECTIVE DATE

This policy shall be effective from F.Y. 2024-2025.



4. DEFINITIONS

- (i) "Act" means the Companies Act, 2013.
- (ii) "Board of Directors" or "Board" means the collective body of the directors of the company.
- (iii) "Company" means "**Bihar Hotels Limited**".
- (iv) "CSR Committee" means Corporate Social Responsibility Committee constituted by the Board of Directors of the company.
- (v) "CSR Policy" means CSR Policy of Bihar Hotels Limited.
- (vi) "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (vii) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
 - (a) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - (b) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
- (viii) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the company.



5. FUNCTIONS OF CSR COMMITTEE

Section 135 (9) of the Act as introduced by the Companies (Amendment) Act, 2020 provides for an exemption from the requirement to constitute a CSR Committee where the amount to be spent by the company under section 135(5) of the Act does not exceed Rs. 50 lakh in a financial year. In such cases, the functions of CSR Committee as provided under section 135 of the Act shall be discharged by the Board of Directors of such company.

In view of aforesaid, since the amount to be spent by the Company under CSR during the F.Y. 2024-25, does not exceed the threshold limit of Rs. 50 Lakh and therefore the CSR Committee has not been constituted. The CSR Committee will be constituted once the required expenditure exceeds the limit of Rs. 50 Lakh, until then the functions of the CSR Committee as below, shall be discharged by the Board of Director:

- (a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act;
- (b) To recommend the amount of expenditure to be incurred on the activities.
- (c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
 - (i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
 - (ii) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
 - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programs;
 - (iv) monitoring and reporting mechanism for the projects or programs; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the company;
 - (vi) Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- (d) To monitor the CSR Policy as approved by the Board from time to time.

6. CSR ACTIVITIES

The Company shall undertake CSR activities for development of the society and the environment, particularly in the vicinity of the areas where the facilities of the company are located.



The company shall undertake such activities which are broadly related to any of the following:

- (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 (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).

(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.

7. FOCUS AREAS

While the company may undertake CSR activities in any areas listed above, the focus areas of CSR activities should be on the following aspects:

(i) Education to underprivileged;

(ii) Environment protection;

(iii) Rural Transformation; &

(iv) Eradicating poverty, hunger and malnutrition, promoting health care and sanitation.

8. CSR SPENDING

The company shall endeavor to achieve the objectives of CSR Policy and shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

If the company fails to spend such amount, the Board shall, in its report shall specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any amount remaining unspent to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company 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 the Corporate Social Responsibility Policy within a period of three 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 thirty days from the date of completion of the third financial year.

If the company spends an amount in excess, it may set off such excess amount against the requirement to spend for such number of succeeding financial years and in such manner, as may be prescribed under CSR Rules.

9. MODE OF IMPLEMENTATION

The Board shall ensure that the CSR activities are undertaken by the company either itself or through, –

- (a) A company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 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, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR. It may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

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The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

10. REVIEW

All disclosures, display and reporting requirement related to CSR shall be made in accordance with the provisions of the Act and Rules made thereunder.

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