

**PRAKASH ASPHALTINGS
AND
TOLL HIGHWAYS (INDIA) LIMITED**



**CORPORATE SOCIAL RESPONSIBILITY
(CSR) POLICY**

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**Document Owner: PRAKASH ASPHALTINGS AND TOLL HIGHWAYS
(INDIA) LIMITED,**

Reg. Office : 76, Mall Road, Mhow, M.P. 453441

Approved By : Board of Directors of the Company dated 07.04.2014

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CORPORATE AND SOCIAL RESPONSIBILITY (CSR) POLICY

DEFINITION OF CSR

A widely quoted definition by the World Business Council for Sustainable Development states that

"Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large." The document explains our organization's policy on its Corporate Social Responsibility duties and expectations.

1. PURPOSE

PRAKASH ASPHALTINGS AND TOLL HIGHWAYS (INDIA) LIMITED (herein after referred as "PATH") is committed to its stakeholders –

Government, investors, shareholders, associates, community, environment, employees and their families – to conduct its business in a responsible manner that creates a sustained positive impact.

The policy is expected to serve the following purpose:-

- (i) To make significant addition for the upliftment of society so that the social community can be amplified.
- (ii) To promote education & empower women.
- (iii) To uphold the values of good citizenship, through our own behavior, and by influencing other organizations to behave in a similar way & make a splendid remark in front of the society.
- (iv) To promote good CSR and citizenship practices among our members, officers, associates and partner organizations; providing training and education where appropriate.
- (v) To oppose unethical business practices and exert pressure to ensure accountability of businesses, for their behaviors.
- (vi) Build active and long term partnerships with the communities in which we operate to significantly improve social condition of the needy people.

2. SCOPE AND APPLICABILITY

Though we are a road, building & infrastructure development enterprise, we recognize the need for us as an organization, to behave responsibly within the community. We undertake to be fully Accountable for our actions, and to adequately impact-assess all of our activities, to ensure that we are not adversely affecting the environment, community, economy or culture in which we operate.

3. PATH CSR COMMITTEE

The CSR Committee of PATH shall institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company. To effectively coordinate, communicate and oversee the Group CSR activities, a CSR Committee is being constituted, comprising the following members as under :-

S No.	Name of Committee Members	Designation
1	Shri Puneet Agrawal	Chairman
2	Shri Nitin Agrawal	Member
3	Shri Asheesh Agrawal	Member

PATH CSR Committee will help in identifying projects and recommend priorities and approaches, support individual business units to build CSR into their planning process to achieve PATH CSR objectives.

4. TERMS OF REFERENCE

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- (i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company in accordance with the provisions of Section 135 of the Companies Act, 2013.
- (ii) Review and recommend the amount of expenditure to be incurred on activities to be undertaken by the Company.
- (iii) Monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time; and
- (iv) Any other matter as the Corporate Social Responsibility 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.

5. CSR POLICY

- (a) We envisage three pillars of CSR – economic, social and environmental, which will underpin our CSR policy and practice.
- (b) Our CSR practice will be bench-marked against legal compliance in terms of Employment Rights, Equal Opportunities, Health and Safety, and Environmental Protection such as apply to commercial and public sector organizations, but we fully intend to rise well above this minimum standard.
- (c) We believe that an organization with sound ethical and accountable practices has a competitive advantage in the modern marketplace, and so investment in the development

and implementation of effective CSR practices is cost effective, and legitimate in terms of an organisation's development.

6. CSR ACTIVITIES

PATH CSR activities shall be undertaken by the Company either itself or through a registered trust, society, Non Government Organization engaged in the activities as proposed in the CSR Policy. PATH will contribute/support financially or otherwise, to the initiatives/activities/programmes undertaken by the Organization/institutions.

The CSR activities covered the following area as per schedule VII of the Act:-

- (i) Eradicating Hunger and Poverty ;
- (ii) Promoting preventive health care and sanitation;
- (iii) Promoting educations including special educations and employment enhancing vocations skills especially among children, women's elderly ;
- (iv) Empowering women, Promoting gender equalities, reducing inequalities faced by socially and economically backward groups;
- (v) Ensuring environmental sustainability, conservation of natural resources, ecological balances ;
- (vi) Protection of national heritage, art and culture, promotion and development of traditional arts and handicrafts;
- (vii) Training to promote rural sports, Nationally recognized sports, Paralympic sports, Adventure sports, Olympic sports;
- (viii) Rural development projects;
- (ix) Contribution to the prime Minister's National relief fund or any other fund set up by central government for Socio-economic development and welfare of scheduled castes, scheduled tribes , other backward classes, minorities and women,

Provided that

- (i) Contribution of any amount directly or indirectly to any political party shall not be considered as CSR activity ;
- (ii) CSR activities does not include the activities undertaken in pursuance of normal course of business of a company;
- (iii) Any surplus arising out of CSR activities shall not form part of the business profit of the Company.
- (iv) CSR activities/projects/programs that benefit only the employees of the Company and their families shall not be considered as CSR activities.

7. BUDGETS

The CSR activities as mentioned above will be directly funded or supported by PATH as financial contribution towards activities either undertaken by the Company or a registered trust, society, Non Government Organization, Foundation's/Institutions corpus / donation.

8. CSR EXPENDITURE

CSR expenditure shall include all expenditure including contribution to corpus for projects or programmes relating to CSR activities approved by the Board on the recommendation of its CSR

Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act. Further CSR project or programs or activities undertaken in India only shall amount to CSR expenditure.

Further Company shall spend in every financial year at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

9. CSR REPORTING

The Board's Report of a company covered under these rules pertaining to financial year commencing on or after 1st day of April, 2014 shall include an annual report on CSR activities at

the end of each financial year, giving a full account of the activities / programmes undertaken during the year gone by in the prescribed format / annexure.

10. DISPLAY OF CSR ACTIVITIES ON WEBSITE

The Board of Directors of the company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company and disclose contents in its report and the same shall be displayed on the company's website <http://www.pathltd.com/>

11. DEVIATIONS / EXCEPTIONS

- (a) Any deviations from this policy require written approval from the Corporate Director/Managing Director.
- (b) No religious or political organizations shall be supported under this program.
- (c) Management reserves the right to modify or terminate this policy without prior notice.

12. POLICY OWNER

This policy is owned by PRAKASH ASPHALTINGS AND TOLL HIGHWAYS (INDIA)LIMITED.

For, PRAKASH ASPHALTINGS AND TOLL HIGHWAYS (INDIA) LTD.

**PUNEET AGRAWAL
MANAGING DIRECTOR
DIN: 00008070**

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