

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (“CSR”) Policy of BROADCAST AUDIENCE RESEARCH COUNCIL (“Company” or “BARC”) is formulated and approved by the Board of Directors of the Company at its meeting held on December 23, 2021.

1. BACKGROUND

Our CSR company policy outlines our efforts to give back to the world as it gives to us. This policy applies to our company. It may also refer to suppliers and partners.

2. OBJECTIVE:

Our Corporate Social Responsibility (CSR) company policy refers to our responsibility towards our community at large. BARC’s existence is part of a bigger system of people, values, other organizations and nature for whom BARC intends to contribute through this CSR policy and initiative.

BARC’s aim is to -

1. To contribute positively to the society and bring about sustainable change.
2. Continue to improve and contribute towards the health, safety, efficiency and environment for the community at large

3. Regulatory Framework

The Companies Act 2013 together with the Rules notified thereunder as amended from time to time (“The Act”) and Schedule VII to the Act provides a framework for companies to define the key thrust areas in the CSR space. The law also guides companies to apply the scope as defined under Schedule VII liberally. Further, the Act also provides instructions on agencies eligible for implementation through which companies may spend its CSR Expenditure. The Act also mandates assessing the impact of the Company’s projects in certain cases.

4. MEASURES

The following is the list of CSR projects or programs which the Company may undertake pursuant to Schedule VII of the Companies Act, 2013:

- i. 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
- ii. 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
- iii. 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
- iv. 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.
- v. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- vi. 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.
- vii. 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

- viii. (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. ORGANIZATIONAL MECHANISM AND RESPONSIBILITIES

- a) **Constitution of Corporate Social Responsibility Committee:** Pursuant to Section 135 and Schedule VII of the Companies Act 2013, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The members in the committee shall be appointed by the Board of Directors of BARC which shall consist of at least two or more Board Directors.

However, where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

The members in the committee shall be appointed by the Board of Directors of BARC which shall consist of at least two or more Board Directors.

Provided that where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more Directors.

b) **Function of CSR Committee and the Board of Directors:**

The CSR Committee shall –

- Formulate and recommend to the Board, a CSR policy, and activities to be undertaken by the company as per Schedule VII of Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities; and
- Monitor the Policy of the company from time to time.
- To submit reports to the Board of Directors in respect of the CSR activities undertaken by BARC and
- To decide on the locations for CSR activities.

The Board of Directors shall –

- consider the recommendations made by the CSR Committee and approve the CSR programs for BARC, causes that the company proposes to support, programs to be undertaken by the company, modalities of operation and the budget for the activities;
- Formulate and approve revisions to the CSR Policy
- Formulate an Annual Action Plan (including any revisions thereto);
- Identify projects of the Company as 'Ongoing Projects';
- Approve the annual CSR expenditure budget
- Ensure that the activities included in CSR Policy of the company are undertaken by the Company;
- Review implementation of CSR activities of the Company within the applicable framework;
- Ensure that a minimum of 2% of the average net profits of the Company of the last 3 years is spent on the CSR programs / activities of the Company;
- In case at least 2% of the average net profits of the Company of the last 3 years is not spent in a financial year, ensure that reasons for the same shall be specified in the Board's report;
- In case if the company spends an amount in excess of the requirements provided under Section 135 (5) of the Act , such company may set off such excess amount against the requirement to spend under the said section for such number of succeeding financial years and in such manner, as may be prescribed in the Rules.
- Set monitoring mechanisms in place to track the progress of each project and track these projects at a regular interval in the rules;

- To ensure that the Board's Report in Annual Report has details about the policy developed and implemented by the company on corporate social responsibility initiatives taken and also place it on the company's website, if any, in such manner as may be prescribed;
- Undertaking wherever appropriate benchmarking exercises with other corporates to reassure itself of the efficacy and effectiveness of Company's CSR spends.

6. ANNUAL ACTION PLAN

The CSR Committee/Board of Directors shall on an annual basis, recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- a. the list of CSR projects or programmes 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 programmes;
- c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d. monitoring and reporting mechanism for the projects or programmes; and
- e. Details of need and impact assessment, if any, for the projects undertaken by the company.

Further, the Board may during the year, at the recommendation of the CSR Committee alter such plans.

7. CSR BUDGET

- a) The CSR Committee/Board of Directors will abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- b) Separate account will be maintained for actual spending on each of such CSR activities.
- c) Any surplus/benefit arising out of the approved CSR Projects will also be allocated to CSR Projects only. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

- d) CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR Programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework.
- e) The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its Annual Action Plan. All projects undertaken by the Company shall be approved /ratified by the CSR Committee.
- f) In line with the requirements of the Act, Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.
- g) During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s), in the following manner:
- h) The surplus, if any, arising out of the CSR projects shall be
- Spent on the same project which gave rise to the surplus, or
 - Transferred to the Unspent CSR Account of the company, or
 - Transferred to a fund as specified in Schedule VII of the act, or
 - Spent in accordance with the Annual Action Plan.

8. TREATMENT OF UNSPENT AMOUNT

Any unspent CSR funds remaining at the end of a financial year should be transferred in any of the following ways:

- **Transfer to an Unspent CSR Account:** Any unspent amount from an ongoing project should be transferred within 30 days of the end of the financial year, to the specifically designated 'Unspent Corporate Social Responsibility Account' to be opened by the company. These amounts should be spent within the next three financial years, in accordance with the company's CSR policy. If these amounts remain unspent even after the three-year period, then they should be transferred, within 30 days of the end of the third financial year, to any fund specified in Schedule VII of the act (such as the PM National Relief Fund, PM CARES Fund, Disaster Management Fund, Clean Ganga Fund, and so on).

- Transfer to a Schedule VII fund: If the funds are unallocated to any CSR project, then such unspent amount shall be transferred, within six months of the end of the financial year, to any fund specified in Schedule VII of the act.

9. IDENTIFICATION AND IMPLEMENTATION PROCESS

- Subject to the provisions of the Act as applicable from time to time, the Company may carry out its CSR activities:
 - a. Either by itself; OR
 - b. through such Implementing Agencies permitted under the Act; OR
 - c. in collaboration with other Companies.
- CSR Projects will be identified to the best possible extent within the ambit of the identified CSR Areas;
- CSR Project as may be identified will be required to be put up to the CSR Committee of the Board and the same shall be approved by the Board of Directors of the Company;
- For each of the CSR Projects, the time period/duration of completion, purpose of Project, nature of spending, extent of coverage, modalities of execution and implementation schedules will be decided and approved in advance by CSR Committee;
- Any deviation from the approved activities, change in implementation timelines of the Project or change in intermediaries or any increase in total amount allocated shall be immediately reported to and approved by the CSR Committee and the Board of Directors of the Company.

10. MONITORING AND REPORTING FRAMEWORK

- a) BARC will institute a well-defined monitoring and evaluation mechanism to ensure that each CSR project has:
 - i. Objectives developed out of societal needs.
 - ii. Targets, timelines, and measurable parameters wherever possible.
 - iii. A progress monitoring and reporting framework aligned to the requirements of Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

- b) Project Completion Report will be prepared and submitted before the next CSR Committee meeting held after completion of each CSR Project
- c) The Company will report on the progress of its CSR initiatives in its Annual Report.
- d) For such projects having an outlay of Rs. 1 crore or more and a period of one year has elapsed since completion of such project, an Impact Assessment study shall be carried out by an independent agency.
- e) The report of such assessment shall be placed before the Board and shall also be annexed to the Annual Report on CSR. Additionally, the CSR team would also endeavour to obtain feedback from the beneficiaries about these Programs.
- f) Social Audits may be carried out by the Company or its implementing agency wherever necessary especially where the Programs are undertaken by the Company through implementing agencies.
- g) The CSR initiatives / projects of the Company shall also be reported every year in the Annual Report of the Company.
- h) The CFO of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilised towards the same effect.

11. MODIFICATIONS

- 1) CSR Committee of Board of BARC will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.
- 2) The CSR Policy may be subjected to revision/modification/amendments in accordance with the notifications/guidelines as issued by the Government and Ministry of Corporate Affairs.
