

**BHARATIYA RESERVE BANK
NOTE MUDRAN PRIVATE LIMITED**

**Policy on Corporate Social Responsibility for Bharatiya Reserve Bank
Note Mudran Private Limited**

1. CONCEPT

1.1 BRBNMPL had taken up the responsibility of contributing to the general welfare and growth of the people living near its offices in Mysuru, Salboni and Bengaluru in a small way much before it was made mandatory by Govt. of India w.e.f 1st April 2014 under the Companies Act, 2013. **Corporate Social Responsibility** (CSR) is a concept whereby BRBNMPL serve the interests of society by taking responsibility for the impact of its activities on customers, employees, stakeholder, communities and the environment in all aspects of its operations.

1.2 Corporate Social Responsibility is BRBNMPL's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. It extends beyond philanthropic activities and reaches out to the integration of social and business goals.

2. Planning

2.1 The planning for Corporate Social Responsibility starts with the identification of the activities / projects to be undertaken. CSR projects / activities may be generally undertaken in the periphery where BRBNMPL carries out its operations. However, BRBNMPL may also opt to locate CSR projects anywhere in the country. BRBNMPL, as far as possible may develop its own CSR strategies that mandate the design of Corporate Social Responsibility Action Plan (Long-term, medium-term and short-term), with a shift from the casual approach to the Project-based approach. The business plan under CSR is integrated with the social and environment concerns of the Company.

2.2 Selection of activities under CSR are made to ensure that the benefits reach the smallest unit i.e. village, panchayat, block or district as the case may be depending on the funds allocated for the activity. The approach to CSR planning is not that of charity but of a long-term sustainable approach. The activities proposed to be covered under CSR for the respective financial year have to be approved by the Board on the recommendation of the CSR Subcommittee of the Board.

3. Implementation

3.1 CSR initiatives of BRBNMPL should consider the following parameters for identification / selection of schemes / projects.

- i) CSR expenditure should be project-based. Mere donations to philanthropic / charity or other organizations would not come under the category of CSR.
- ii) CSR activities should generate community goodwill, create social impact and visibility.
- iii) For every project, the time-frame and periodic milestones should be formulated at the outset.
- iv) CSR activities should help in building a positive image of BRBNMPL in the public perception.
- v) CSR activities may be related to United Nations Global Compact Program on Environment.
- vi) CSR projects may be closely linked with the principles of Sustainable Development, based on the immediate and long-term social and environmental consequences of their activities.
- vii) BRBNMPL may shoulder the responsibility for restoring / compensating for any ecological damage that is taking place as a result of its operations.
- viii) Care may be taken to ensure that BRBNMPL work towards fulfillment of the National Plan goals and objectives, as well as the Millennium Development Goals adopted by our country, ensure gender sensitivity, skill enhancement, entrepreneurship development and employment generation by co-creating value with local institutions / people.

3.2 CSR activities may be undertaken through a registered trust, registered society or a company established by the company, or its holding or subsidiary or associate company. Where such trust etc. are not established by the company, its holding / subsidiary / associate company, then such body should have an established track record of three years in undertaking similar programs or projects and the company shall put in place a mechanism to monitor the activities undertaken.

Company may partner with other institutions which have a track record of three years for building CSR capacities of own employees. However, such expenditure cannot exceed 5% of the total expenditure on CSR by a company in one financial year.

3.3 BRBNMPL will generate awareness among all levels of its staff about CSR activities and the integration of social processes with business processes. Those involved with the undertaking of CSR activities may be provided with adequate training and re-orientation.

3.5 Initiatives of State Governments, District Administration, Local Administration as well as Central Government Departments / Agencies / Self-Help Groups etc. would be dovetailed / synergized with the initiatives taken by BRBNMPL.

3.6 Every care should be taken to ensure that there is no duplication of CSR activities undertaken by BRBNMPL with that of programmes run by Central, State and Local Governments.

4. Funding

4.1 The ***CSR budget*** will be mandatorily created through a Board approval at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years.

4.2 The CSR Budget should be fixed for each financial year. This funding will not lapse. It will be transferred to a ***CSR Fund***, which will accumulate.

4.3 BRBNMPL may allocate separate CSR budgets to each of its Offices/Presses to be spent by them under the Annual CSR Budget allocations.

5. Clarifications

5.1 Activities and expenditure related to staff benefits will not count as CSR.

5.2 Also grants to organizations / institutions that are not specifically implementing CSR projects specified by BRBNMPL would not count as CSR.

5.3 These Guidelines may be amended from time to time with the approval of the Board of Directors of BRBNMPL.

6. Monitoring

6.1 Monitoring of the CSR projects is very crucial and needs to be a periodic activity of BRBNMPL.

6.2 The CSR Subcommittee of the Board will review the progress made and will make its recommendation to the Board of Directors to discuss the implementation of CSR activities in its Board meetings. A separate paragraph / chapter will be written in the Annual Report on the implementation of CSR activities / projects including the facts relating to physical and financial progress.

6.3 For proper and periodic monitoring of CSR activities, BRBNMPL may appoint a Press level CSR committee.

7. CSR Activities coverage area

Possible areas of activities under CSR (As per Schedule VII of the Companies Act, 2013)

- i. Eradicating hunger, poverty and malnutrition, promoting 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

- 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 centers 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 arts; setting up public libraries; promotion and development of traditional arts and handicrafts
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- x. Rural development project
- xi. Slum area development