



CIN: L70109MH2000PLC288648

SANMIT INFRA LIMITED
CORPORATE SOCIAL RESPONSIBILITY
POLICY

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➤ **PREAMBLE:**

The Company intends to make a positive difference to society and contribute its share towards the social cause for betterment of society and area in which companies operates. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to the society.

We, at Sanmit Infra Limited believe that creation of large societal capital is as important as wealth creation for our shareholders. As a responsible human organization, we are committed towards the aforementioned objective and are keen on developing a sustainable business model to ensure and activate our future growth drivers. We continuously strive to achieve responsible growth over and above the three traditional growth parameters – Consistent, Competitive and Profitable. It is our firm belief that this is the only way we can deliver shared value and create a lasting impact on society. In line with the regulatory expectations, we are putting in place a formal policy as a guide towards our social commitment going forward.

➤ **POLICY OBJECTIVES:**

The objective of the CSR Policy ("**Policy**") is to lay down the guiding principles in undertaking various Programs and projects by or on behalf of the Company relating to Corporate Social Responsibility ("**CSR**") within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014. ("**Rules**") as well as formulation of the Annual Action Plan.

➤ **ROLE OF THE CSR COMMITTEE:**

- Draft the CSR policy and recommend the same to the Board for approval.
- Review and recommend any new CSR initiatives to be taken up by the Company.
- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy.
- Review and recommend the CSR report to be included in the board's report.
- Review and recommend any amendments to be made in the CSR policy of the Company.
- To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.
- Shall Formulate and recommend to the Board, an **Annual Action Plan** in pursuance of its CSR policy, which shall include the following, namely:
 - ✓ The list of CSR Projects or Programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - ✓ Manner of execution of such projects or programmes
 - ✓ Modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - ✓ Monitoring and reporting mechanism for the projects or programmes; and

- ✓ Details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

➤ **CSR INITIATIVES:**

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual Action Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual Action Plan or to propose any new program during the financial year under review.

➤ **FOCUS AREAS:**

For purposes of focusing its CSR efforts in a continued and effective manner, the following areas have been identified:

1. 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.
2. Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. 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;
6. 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];
7. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. 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;

9. (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)

10. Rural development projects;

11. Slum area development;

12. Disaster management, including relief, rehabilitation and reconstruction activities.

➤ **EFFECTS OF INTERPRETATIONS/CLARIFICATIONS AND AMENDMENTS ON PROJECTS/ PROGRAMS /ACTIVITIES:**

The objective of the policy is to act as a guideline for the company in its endeavor to undertake socially relevant activities that will result in the overall objective of the company to create societal capital/assets for the common good and the list of activities shall be interpreted in a manner that will advance the objective. The policy shall be deemed to have amended or modified to the extent of any modification/amendments or clarifications issued by the Central Government from time to time in relation to the CSR obligations of companies and shall be interpreted accordingly.

➤ **MODALITIES OF IMPLEMENTATION/EXECUTION OF PROJECTS/PROGRAMS:**

The company may undertake one or more projects or programs or activities provided in the CSR policy either directly or through a Registered Trust or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013 or even to collaborate with other entities. It can also acquire the services of experts in respective fields by appointing them as consultants in a particular program or project. Where implementation agencies are appointed for a particular project, the company shall acquire the necessary skills to run the program on its own within 3-5 years from its implementation where it is a continuing program. While engaging a third party agency for implementing a project or program covered in

the CSR policy, the CSR committee shall ensure that they have credible standing and experience in the respective fields for at least three preceding financial years also must register themselves with the Central Government by filing the Form CSR-1 electronically with the Registrar of Companies, with effect from the April 1, 2021.

➤ **CSR EXPENDITURE/BUDGET:**

The Company shall endeavor to spend, in applicable financial year at least 2% of the average net profits before tax of the Company made during the 3 immediately preceding financial years for CSR Policy.

For this purpose, "average net profit" shall be calculated in accordance with provisions of Section 198 of the Companies Act, 2013, after deducting there from the dividends that may be received from companies in India which are covered under and complying with the provisions of Sec 135 of the Companies Act 2013.

The Company will give preference to the local area(s) in and around our offices in India. The Company may use the CSR capacities of their own personnel in executing the CSR activities and also effectively monitoring the same but such CSR expenditure shall not exceed 5% of total CSR expenditure of the company in one financial year.

➤ **MONITORING OF CSR ACTIVITIES:**

CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The committee shall ensure that;

- Company undertakes the CSR activities as provided in the CSR policy
- The projects/ programs are implemented as per the program approved by the board
- The budget allocated for each of the project is utilized for the projects as per the approved plans.
- The budget allocated for each of the project is utilized for the projects as per the approved plans.
- Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.
- The Board the 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.

➤ **AMENDMENT OF CSR POLICY:**

The CSR policy of the company may be amended at any time by the board of the company on the Recommendation of the CSR committee.

➤ **REPORTING OF CSR POLICY:**

On approval of the CSR policy or any amendments thereof, the contents of the policy shall be included in the Boards' report.

At the end of each financial year, the CSR committee shall prepare a report of the CSR program in the prescribed form relating to the financial year and submit to the board for its inclusion in the Board's report in the format recommended in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as may be amended from time to time, as part of its annual report.

The impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR.

➤ **DISPLAY OF CSR ACTIVITIES ON WEBSITE:**

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website for public access.

➤ **TRANSFER OF UNSPENT CSR AMOUNT:**

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled

bank called the "**Unspent Corporate Social Responsibility Account**". Such amount shall be spent by the company towards CSR **within a period of 3 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 30 days from the date of completion of the third financial year**.

"**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.

➤ **TREATMENT OF SURPLUS CSR AMOUNT:**

The Company **MAY SET OFF SUCH EXCESS AMOUNT** up to immediate succeeding 3 Financial Years subject to the conditions that:

- i. The Excess Amount available for set off shall not include the surplus arising out of the CSR activities; and
- ii. Board of the Company shall pass a Resolution to that effect.

Approved by the Board of Directors of the Company at their meeting held on 14 August, 2023