

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Of

AFCONS INFRASTRUCTURE LIMITED

(“AFCONS” or “Company”)

1. INTRODUCTION

1.1 Corporate Social Responsibility (CSR) is the Company’s commitment to the Nation to conduct the business in a socially and environmentally sustainable manner that is transparent and ethical.

2. CSR POLICY STATEMENT

2.1. AFCONS is dedicated towards elevating the poor or the underprivileged and creating means for their social and economic development. We are committed in our mission to work relentlessly and sincerely in areas like education, healthcare, environment preservation and local employment. We will identify the genuine needs of communities where we operate and fulfil them to the best of our abilities. We will also participate in community and social activities at group and various other levels. We aim at make our contribution to the public welfare in India.

3. PRINCIPLES FOR IMPLEMENTATION

3.1 It shall be our endeavor that in execution of this policy we follow the principles of humanity and humility, keeping in mind the needs and dignity of the people we serve.

4. FOCUS AREA OF CSR PROJECT

4.1. The Company will undertake CSR activities as enlisted in Schedule VII of the Companies Act, 2013 (hereinafter referred as **‘the Act’**) and Rules framed thereunder (hereinafter referred as **‘CSR Rules’**) as amended from time to time including the below areas of activities:

- (i) To channelise efforts towards rural development with emphasis on promoting health care including preventive health care, safe drinking water and sanitation.
- (ii) Eradicating hunger, poverty and malnutrition by providing ground level support to communities with basic needs like food, drinking water and medicines.
- (iii) To promote and support education of children from backward areas.
- (iv) To envision a ‘green’ India and contribute towards such activities / projects/ programmes.

5. MANNER OF IMPLEMENTING CSR ACTIVITIES

5.1. The implementation of the CSR activities / projects shall be carried out through initiatives and drives undertaken by the Company's offices and teams at various project sites. With a view to give thrust to certain CSR activities and projects, the Company may also collaborate and pool resources with other companies including Shapoorji Pallonji Group (under Group CSR activities / programme).

5.2. AFCONS may also undertake CSR activities by itself or through various implementing agencies such as:

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 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, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

5.2. AFCONS may also give monetary contributions to the funds mentioned in Schedule VII to the Act.

5.3. AFCONS may use the services of internal teams, employee volunteers, expert agencies, consultancy firms etc. wherever required for carrying out base line surveys, guidance on designing, monitoring, evaluating the implementation of CSR activities, project programme and impact assessment surveys etc.

6. CSR COMMITTEE

6.1 The Board has formed CSR Committee accordance with the requirements of section 135(1) of the Act and the CSR Rules.

In conformity with the Act, the CSR Committee of AFCONS, as approved by the Board.

6.2. The terms of reference of the CSR Committee are as under:

- (i) Framing of Corporate Social Responsibility (CSR) Policy (which shall include amendment thereto from time to time) and recommending to the Board for approval.
- (ii) Formulating an Annual Action Plan with requisite details for CSR activities to be undertaken which shall be in conformity with the Act and CSR Rules provided that the Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on reasonable justification to that effect.
- (iii) Selection of CSR Activity / CSR Programme or CSR Project to be undertaken by the Company.
- (iv) Recommend spending of CSR funds to be undertaken in areas or subjects specified in Schedule VII to the Act.
- (v) To decide and recommend to the Board on the manner of utilisation of surplus.

- (vi) Implementation & monitoring of CSR activity(ies) / programme(s) or project(s) to be undertaken in accordance with the CSR Policy.
- (vii) Identifying, evaluating and appointment of organisation (including international organisations) for carrying out base line surveys, guidance on designing, monitoring, evaluating the implementation of CSR activities, project programme and impact assessment surveys etc.

7. CSR TEAM

7.1 AFCONS may constitute internal CSR Team to assist the Company and the Committee in undertaking of CSR activities of the Company in compliance with this Policy, Act and CSR Rules.

8. CSR BUDGET

8.1. The overall amount to be committed to CSR, in a particular financial year, will be approved by the Board on recommendation of the CSR Committee. The contribution will be in adherence to the provisions of the Act and the CSR Rules made thereunder.

8.2. Any surplus arising out of the CSR activities or projects shall not form part of the business profit of AFCONS. Accordingly, such surplus fund shall be utilized / spent in accordance with the CSR Policy. For any reason, the CSR funds allocated for a particular project or programme are not likely to be used in that financial year than the same may be used for any other programme/ activities/ projects approved / recommended by CSR Committee. Similarly, unspent amount of any CSR activity/ programme / projects shall be utilized / spent in compliance with the Act and CSR Rules.

9. CSR EXPENDITURE

9.1. The CSR Committee shall recommend to the Board the amount of CSR Expenditure to be incurred in a particular Financial year, in accordance with the Act and the CSR Rules.

9.2. If any amount is spent in excess of requirement as prescribed under the Act, such excess amount may be set off against the requirement of CSR amount to be spent in immediately succeeding three financial years with approval of Board to that effect.

9.3. The Company shall not spend more than 5% of the total CSR expenditure in any financial year on administrative expenses relating to the general management and administration of CSR activities of the Company.

10. CSR Monitoring Process

10.1 The CSR Committee shall be responsible for the ongoing monitoring and maintaining transparent reporting mechanism for ensuring effective implementation of the CSR projects/ programs/ activities undertaken by the Company as a part of its Corporate Social Responsibility, within prescribed timelines.

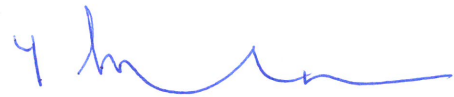
10.2. The Board shall ensure that the funds disbursed for undertaking CSR activities have been utilized for the purposes and in the manner as approved by it.

11. CSR REPORTING

11.1. The Company shall in its Annual Report include CSR Report giving the details of the CSR activities undertaken in the Financial Year as set out in the CSR Rules.

11.2 The Company shall display on its website the composition of the CSR Committee, and CSR Policy and Projects approved by the Board, and such other information as may be required.

Signed by



Date : 28.05.2021

K. Subramanian
Executive Vice Chairman &
Chairman of CSR Committee