



CORPORATE SOCIAL RESPONSIBILITY POLICY

Of

AFCONS INFRASTRUCTURE LIMITED

("AFCONS" or "Company")

INDEX

Sr. No.	Particulars	Page No
A.	Introduction	1
B.	CSR Policy Statement	1
C.	Principles for Implementation	1
D.	Area of CSR Project/ Activity	1
E.	CSR and Sustainability Committee	2
F.	CSR Team	3
G.	Annual Action Plan	4
H.	CSR Expenditure	4
I.	Manner of Implementing CSR Activities	5
J.	Capital Assets	5
K.	CSR Monitoring, Review and Impact Assessment	6
L.	Reporting	6
M.	Amendments to the Policy	6

Flow of applicability of the Policy to the Company

Sr. No.	Adoption /Amendment	Date
1	Adoption at Board Meeting	17 th December, 2014
2	Amendment at Board Meeting	28 th May, 2021
3.	Amendment at Board Meeting	18 th March, 2024
4	Amendment at Board Meeting	20 th March, 2025

A. INTRODUCTION

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.

B. CSR POLICY STATEMENT

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.

C. PRINCIPLES FOR IMPLEMENTATION

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.

D. AREA OF CSR PROJECT/ ACTIVITY

1. The Company may undertake CSR activity, towards fulfilment of its CSR obligations, from the area of CSR activities as enlisted in Schedule VII of the Companies Act, 2013 including amendments thereto from time to time (hereinafter referred as '**the Act**') and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Companies (CSR Policy) Amendment Rules, 2021 and Companies (CSR Policy) Amendment Rules, 2022 as framed thereunder which shall include any amended thereto from time to time (hereinafter collectively referred as '**CSR Rules**')
2. While the Company may undertake CSR activity in any of the area enlisted under the Schedule VII of the Act, the Company shall focus on the following areas of the activities from the aforesaid Schedule VII (**Focus Areas of CSR**) :
 - (i) Project toward Water management system which may include but not limited to water conservation and purification initiatives, promotion of hygiene and sanitation.
 - (ii) Project aim at promoting health care and preventive health care initiatives in any and every form which may include but not limited to support to peoples from rural area, underprivileged section of the society; extending health care infrastructure support to hospital, supporting community health centres, general and specialised health camps and outreach programmes/ centres for elderly, disable etc.;

- (iii) Education & Skilled Development Program which may include but not limited to aimed at promoting education including special education, provide educational infrastructure support to educational institutions, supporting employment and livelihood enhancing skill development, vocational training centres/ colleges / institutes/ centres programs etc;
- (iv) Eradicating hunger, poverty and malnutrition by providing ground level support to communities with basic needs like food, drinking water and medicines.
- (v) Activities aimed at promoting equality including but not limited to empowering women, setting up of homes and hostels and other facilities for women, orphans, senior citizen and socially and economically backward group
- (vi) Rural development projects which may include but not limited to projects aimed at improving agricultural productivity, upliftment of rural poors etc ;
- (vii) Promoting Green India initiatives which may include but not limited to activities / projects/ programmes aimed at Environment Sustainability, Ecological balance, conservation of natural resources;

Apart from the aforesaid Focused Areas of CSR, the Company may also choose to undertake any other CSR activities and / or contribution to the various funds, research and development projects and / or public funded universities or institutes as mentioned in Schedule VII of the Act (as amendment thereto from time to time).

E. CSR AND SUSTAINABILITY COMMITTEE

1. The Board has constituted Corporate Social Responsibility (“CSR”) Committee accordance with the requirements of section 135(1) of the Act and the CSR Rules. Pursuant to the listing of the Company and applicability of SEBI LODR, the Committee has been renamed as Corporate Social Responsibility and Sustainability Committee (“CSSR Committee” or “Committee”) to oversee the Sustainability functions in addition to the CSR role.
2. The CSSR Committee comprises the number of members mandatorily required under. The Committee is responsible for the overall governance of CSR projects in the chosen focus areas.
3. The Role of the CSSR Committee in the area of Corporate Social responsibility includes:
 - (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 and recommending to the Board 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 CSSR 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.
- (viii) Identify project(s) of the Company as 'Ongoing Project(s)' or 'Multi-year Project'.
- (ix) To appoint an independent agency/firm to carry out impact assessment study, as may be applicable to the Company under the Act and CSR Rules thereto.
- (x) To review the impact assessment carried out for the projects of the Company as per the requirements of the law.
- (xi) To undertake all action as may be prescribed under the Act, CSR Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 or such other Regulation prescribed by the SEBI from time to time.

F. CSR TEAM

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.
2. 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.

G. ANNUAL ACTION PLAN

The Annual action plan for the AFCONS's CSR initiatives shall be formulated and recommended by the CSR Committee and approved by the Board of Directors of the Company. The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee.

H. CSR EXPENDITURE

1. The CSR Committee shall recommend to the Board the amount of CSR Expenditure to be incurred in a particular Financial Year in the manner provided under the Section 135 of the Act and the CSR Rules including the activities/projects (whether or not an ongoing project) identified as a part of the Annual Action Plan.
2. If any amount is spent in excess of requirement as prescribed under the Act and the CSR Rules, 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.
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.
4. AFCONS will strive to spend the budgeted amount for CSR activities/projects planned for each financial year, within that financial year. If for any reason, any of the CSR amount remains unutilized in a financial year, the same will not lapse and will be treated in the following manner:
 - A) AFCONS shall specify the reasons for not spending such amount in CSR report forming part of Board report.
 - B) In case of an 'Ongoing Project, the unspent CSR amount shall be transferred to an account i.e., 'Unspent CSR Account' within 30 days of the end of the financial year, or within such other period as may be specified in the Act or CSR Rules from time to time, and such sum shall be spent during the next three financial years from the date of transfer, in the manner prescribed under the Act read with CSR Rules, failing which, the Company shall treat the unspent amount in the manner prescribed under the Act read with CSR Rules.
 - C) In case of activities/projects other than Ongoing Project, the same shall be transferred to funds specified in Schedule VII of the Act, or any such other fund(s) as may be specified under the Act or CSR Rules, within 6 months of the close of the financial year or within such other time as may be specified from time to time.

5. Any surplus arising out of the CSR activities or projects shall not form part of the business profit of AFCONS and shall be ploughed back into the same project or such surplus fund shall be utilized / spent in accordance with the CSR Policy and as per CSR Rules.

I. MANNER OF IMPLEMENTING CSR ACTIVITIES

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).
2. AFCONS may also undertake CSR activities by itself or through various implementing agencies such as:
 - (i) 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
 - (ii) 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
 - (iii) any entity established under an Act of Parliament or a State legislature; or
 - (iv) 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.
3. The Company can also partner with local governance bodies such as Gram Panchayats, Civil Bodies, Municipality to directly undertake approved CSR Projects with the help and support of these bodies.

J. CAPITAL ASSETS

Capital Asset acquired or created by CSR Projects should be held by the beneficiaries of the said CSR Projects in the form of self-help groups, collectives, entities) OR Company established under section 8 of the Act or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration number OR a public authority for the benefits of all. The Company shall take appropriate measure to ensure that such assets are utilised for the purpose it was meant for and shall not be transferred or disposed off without the prior permission of the Company

K. CSR MONITORING, REVIEW AND IMPACT ASSESSMENT

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.
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.
3. For monitoring the effectiveness of the CSR spending, the Committee may at its discretion [and mandatorily where the average spending obligation exceeds Rs.10 crores or such other higher amount as may be prescribed in the CSR Rules (in the 3 immediately preceding financial years)] may undertake an impact assessment through an independent agency in respect of the CSR projects and to comply with the applicable provision of the CSR Rules thereunder .

L. CSR REPORTING

1. The Company shall in its Annual Report include CSR Report giving the details of the CSR activities undertaken in the Financial Year and such other details and particulars as set out in the Act and CSR Rules.
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 under the Act, CSR Rules and the SEBI LODR and other applicable laws, if any.

M. AMENDMENTS TO THE POLICY

1. In case there are any changes in the Act, CSR Rules or any other applicable regulations including SEBI LODR, whereby any provision of this Policy or any part thereof becomes inconsistent requiring modifications to the said Policy, then the provisions of Act, CSR Rules or any other applicable regulations including SEBI LODR, as modified, shall prevail.
2. The Policy would be reviewed from time to time and amended by the Board on its own or on the recommendation of the CSSR Committee.
