CSR POLICY

Introduction:

The Corporate Social Responsibility ("CSR") Policy ("Policy") of Srinibas Pradhan Constructions Limited ("the Company") has been formulated in alignment with the principles of responsible infrastructure development, sustainability, and stakeholder value creation.

Although the provisions of Section 135 of the Companies Act, 2013 are presently not applicable to the Company, this Policy is voluntarily adopted to institutionalize responsible business practices and to ensure readiness for full compliance upon applicability. The Policy reflects the Company's commitment to integrating environmental, social, and governance ("ESG") considerations into its infrastructure development and operations.

The Companyrecognizes the impact it has on communities in which it operates and believes that it has a tremendous opportunity to change the lives of these communities and aims to be a trusted partner contributing to the social, economic and environmental progress of India. As part of its dedicated approach to create economic opportunity in the communities in which it operates, the Company has been contributing its time, expertise and resources to help communities and undertaking a series of initiatives that are locally relevant.

CSR Object:

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behavior which is:

(a) consistent with sustainable development and welfare of society,
(b) takes into account the expectations of stakeholders,
(c) is in compliance with applicable laws, and
(d) is uniformly integrated and practiced throughout the Company.
(e) Create long-term value for communities impacted by the Company's projects.

Scope

In furtherance of its CSR objects, the following are covered under this Policy:

i. CSR activities implemented by the Company on its own,
ii. CSR activities implemented bythe Company through its Trust / Society / Section 8 Company registered under section 12A and 80G of Income Tax Act, 1961
iii. CSR activities of the Company through Agencies.

Definitions: As per the Companies Act, 2013 and rules made thereunder (including any amendment or reenactment thereof).

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Key **CSR Focus Areas:**

The Company is committed to building infrastructure that not only drives economic growth but also enhances community well-being and environmental sustainability. The Company shall adopt a "Responsible Infrastructure" approach, ensuring that development projects create shared value for all stakeholders.

The Company shall prioritize CSR initiatives in the Thrust areas connected to its sectoral impact, including:

a. **Community Development Around Project Sites**
   - Livelihood generation and skill development for local communities
   - Resettlement and rehabilitation support (where applicable)
   - Development of local infrastructure such as roads, sanitation, and water facilities

b. **Environmental Sustainability**
   - Climate resilience initiatives and carbon footprint reduction
   - Afforestation, biodiversity conservation, and land restoration
   - Water conservation, waste management, and renewable energy promotion

c. **Disaster Relief and Resilience**
   - Infrastructure support during natural disasters
   - Rehabilitation and rebuilding efforts

d. **Community health care, sanitation and hygiene, including, but not limited to:**
   - Establishment and management of state-of-the-art healthcare infrastructure with high level of excellence.
   - Providing financial and/or other assistance to the Agencies involved in exclusive medical research, public health, nursing etc.
   - Providing financial assistance to deserving people for specialized medical treatment in any medical institution.
   - Activities concerning or promoting:
     a. General health care including preventive health care
     b. Safe motherhood
     c. Child survival support programs
     d. Health / medical camps
     e. Better hygiene and sanitation
     f. Adequate and potable water supply, etc.

e. **Education and knowledge enhancement, including, but not limited to:**
   - Establishment and management of educational and knowledge enhancement infrastructure.
   - Providing financial and/or other assistance to the needy and/or deserving students.
   - Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
   - Facilitate enhancement of knowledge and innovation in the educational

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agencies.

- Contribution to technology incubators located within academic institutions which are approved by the Central Government.

f. **Social care and concern, including, but not limited to:**
- Creating Public awareness
- Protection and upgradation of environment including ensuring ecological balance and related activities.
- Rural development projects
- Others:
  a. Establishment and management of orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature.
  b. Providing assistance to institutes of credibility involved in areas of social care, including:
  c. Preservation of heritage
  d. Animal welfare, social welfare and related matters
  e. Orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature.
  f. Other humanitarian activities.

All activities shall, where feasible, align with Schedule VII of the Companies Act, 2013.

IdentificationofCSRProjects:

1. CSRProjects needtobeidentifiedandplannedforapprovaloftheCSR Committee, inparticularinThrustAreas,withestimatedexpenditureand phase wise implementationschedules.
2. TheCompanyshallensurethatinidentifyingitsCSRProjects, preference shallbegiven tothelocalareaandareas aroundwhichtheCompany (includingitsUnits)operates.However, thisshallnotbartheCompanyfrom pursuing itsCSR Projectsin otherareas.
3. Asacardinalprinciple,theCSRProjectsinThrustAreas,shallbe identified on thebasis ofa detailed assessmentsurvey.

ImplementationofCSRProjects

The Company shall implement theidentified CSRProjectsby thefollowing means:

I. Direct Method

1. TheCompanymayitselfimplementtheidentifiedCSRProjects presently within thescope and ambit of theThrust Areasas defined in thePolicy;

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2. The Company may also implement the identified CSR Projects throughTrust and/ or Society and/ or Section 8 Companywhichisinvolvedin CSRactivities,within the scope and ambit of theThrust Areasas as defined in thePolicy.
3. TheCompany,maycollaborate withothercompanies,includingitsGroup Companiesifrequired, forfulfillingitsCSRobjectsthroughthe Direct method,providedthattheCSRCommitteesofrespectivecompaniesare in a positiontomonitor separatelysuchCSR Projects.

II. IndirectMethod

1. TheCompanymayimplementtheidentifiedCSRProjectsthroughAgencies, subject tothecondition that:
   - TheactivitiespursuedbytheAgencyarecoveredwithinthescopeand ambit of Schedule VII oftheActprovided
   - TheAgencyhasanestablishedtrackrecord ofatleastthree yearsin undertaking similar programsorprojects,and
   - The Company has specified the Project to be under taken through the Agency which shall preferably be in Thrust Areas, the modalitiesofutilizationoffundsonsuchProjects andthemonitoringandreportingmechanismwhichshall beatleast once in threemonths.
2. TheCompany,maycollaboratewithothercompanies,includingitsGroupCompaniesifrequired, forfulfillingits CSRobjectsthroughtheIndirectmethodprovidedthattheCSRCommittees of respectivecompanies arein a position tomonitorseparatelysuchProjects.

Monitoring of CSR Projects:

Monitoringprocessfor CSR Projectsshall include thefollowing:

- Evaluation of Planned progress V/s Actual Progress
- Actual expenditure V/s expenditure as per Approved Budget
- Chief Financial Officer of the Company to certify that the funds sodisbursed have been utilised for the purposes and in the manner asapproved by the Board

Fund allocation and others

A. Fund allocation

1. TheCompany,ineveryFinancialYear,shallendeavor tospendthefeasible

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amount,whichshallnotberestrictedbythestatutorylimitofaspecified percentage ofitsaveragenetprofitsoftheimmediatelyprecedingthree FinancialYears.However,theaforementionedexpenditure inanyfinancial yearshallbeat least2%oftheaverage Netprofitsof the Companyforthethree immediatelyprecedingfinancial years. Amount spent in excess of requirement of 2% may be set-off against the requirement to spend under the Act up to immediate succeeding three financial years subject to approval of the Board.

2. TheCSRCommitteeshallprepareand recommend to the Board Annual Action Plan and Budget forimplementation of CSR Projects:

   The Board shall consider and approve the Annual Action Plan and Budget recommended by the CSR Committee and based on reasonable justification, may alter above plan at any time during the financial year after considering the recommendation of the CSR Committee.

3. In case the Company fails to spend the statutory minimum limit of 2% of Average Profits the Company of the immediately preceding three financial years, in any given financial year, the Board shall specify the reasons for the same in its report and unless the unspent amount relates to any Ongoing Project, transfer such unspent amount to a Fund specified in Schedule VII of the Act, 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.

B. Impact Assessment

1. The Company shall undertake Impact Assessment (IA), through an independent agency, of the CSR Projects having outlays of one crore rupees or more, and which have been completed at least one year before undertaking the impact study.
2. Impact Assessment Reports shall be placed before the Board and shall be annexed to the annual reporton CSR.
3. The Company may book the Impact Assessment expenditure towards CSR for that financial year, which shall not exceed five percent of the total CSR expenditure forthat financial year or fifty lakh rupees, whichever is less.

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C. Others

1. TheCSRCommitteeshallensurethatmajorportionoftheCSRexpenditure intheAnnualAction PlanshallbefortheProjectsintheThrustAreas.However, thereshallnotbeanypreference giventoanyparticularThrustAreafor budgetaryallocationanditshallbemadepurelyaspertheidentifiedCSR Projects on need basis.
2. The Chairman of the Company is authorized todecideonProjects tobeimplementedthroughtheIndirect Method within theallocation as pertheAnnual Action Plan.
3. AnysurplusarisingoutoftheCSRProjectsshallnotformapartofthe business profit of theCompanyand shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of this Policy and Annual Action Plan or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.
4. Administrative overheads shallnotexceed 5%ofthetotal CSR expenditure of the Company in one financial year.

Governance Framework

Duties and responsibilities

i. Board of Directors

i. The Board shall consider and approve Annual Action Plan and Annual CSR Budget and modification, if any based on the recommendation of CSR Committee.

ii. The Board shall decide whether a CSR Project is to be considered as an Ongoing Project based on reasonable justification to that effect.

iii. The Board shall ensure implementation of CSR Projects if these are implemented through Implementation Agency(ies).

iv. The Board shall include in its Reportanannual reporton CSR Projectsas perthe formatprovidedin theAct.

v. The Board shall satisfy itself that the funds disbursed have been utilised for the purposes andin the manner as approved by it and the Chief Financial Officer or the person responsible for financialmanagement shall certify to the effect.

vi. In case of Ongoing Project, the Board shall monitor the implementation of the project withreference to the approved timelines and year-wise allocation and may make modifications for smooth implementation of the project within the overall permissible time.

vii. The Board to decide on whether to set-off excess amount spent on CSR activities or not.

viii. The Board shall ensure that the composition of the CSR Committee, CSR Policy and CSR Projects approved are displayed on the website of the Company.

ix. The Board shall ensure compliance of CSR Policy, Section 135 of the Act and Rules made thereunder.

ii. CSR Committee

i. The Committee to prepare Annual Action Plan of CSR Projects to be undertaken in pursuance of CSR Policy and recommend the same to the Board with Annual CSR Budget.

ii. The CSR Committee shall monitor the implementation of CSR Policy and Annual Action Plan. For this purpose, the CSR Committee shall meet at least twice a year.

iii. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.

iv. The CSR Committee shall place before the Board the draft annual report on CSR as per the format prescribed in the Action the Board meeting in April/May of the following year for the review and finalization.

Review Periodicity and amendment

i. Annual ActionPlanmayberevised/modified/amendedbytheBoard based on the recommendation of the CSRCommitteeatsuch intervalsas it maydeemfit.

ii. In case of any statutory modification or amendment or alteration in the provisions of the Act, the newly modified/amended/altered provisions of the Act shall be deemed to be implemented in the policy immediately with effect from the date of the statutory notification for modification / amendment / alteration etc. The amended policy should be placed before the Committee and Board within reasonable time for approval / consideration.

Conclusion

This Policy demonstrates the Company's proactive commitment to responsible infrastructure development and strong governance practices. It establishes a structured and investor-aligned framework to ensure that the Company is fully prepared to meet statutory CSR obligations while delivering meaningful and measurable social impact.

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Note:

1. *In the event that the constitution of a Corporate Social Responsibility Committee is not applicable to the Company under the provisions of Section 135 of the Companies Act, 2013, the functions and responsibilities of the CSR Committee shall be discharged by the Board of Directors of the Company.*

2. *The requirement of undertaking Impact Assessment shall be applicable only in cases where the total CSR expenditure of the Company in a financial year is exceeding the thresholds prescribed under the Act.*

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