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POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

A. Short Title

This policy for Corporate Social Responsibility ("CSR") of **GNI Infrastructure Limited** is titled as the "**GNI Infrastructure CSR Policy**" and shall include any alterations, amendments, or modifications hereto from time to time.

B. Preamble

Corporate Social Responsibility at **GNI Infrastructure Limited** comprises of self-regulatory measures inducted and integrated in the business strategy of the organization for the common benefit of the societies and the communities in which it operates. The Company conducts its business in a socially responsible manner. This Policy lays down the mechanism for undertaking socially beneficial programmes for sustainable development of the community at large.

The Board of Directors of **GNI Infrastructure Limited** (the "**Company**"), herein after referred as "the Board", has approved the **GNI Infrastructure CSR Policy**. This Policy establishes the overarching principles guiding the Company's Corporate Social Responsibility.

C. Objective

GNI Infrastructure CSR Policy intends to:

- Pursue economic development that enhances society on a broad scale while minimizing resource usage.
- Recognize accountability for the company's actions and promote a positive influence on issues such as lack of education, hunger, poverty, malnutrition, the environment, communities, stakeholders, and society.

D. CSR Vision

1. Formulate impactful strategies to engage with all stakeholders effectively.
2. Ensure the judicious use of energy and implement environmentally friendly technologies.
3. Vigilantly monitor and prevent pollution, while actively promoting recycling, waste reduction, and sustainable natural resource management.
4. Collaborate with local communities to discern and pursue culturally fitting development goals.
5. Forge partnerships with reputable entities, such as trusts, foundations, and non-government organizations.
6. Fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

E. Applicability of the GNI Infrastructure CSR Policy

GNI Infrastructure Limited CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.

This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under- privileged.

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appropriate intervals. The CSR Committee may meet together for the conduct of CSR, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business. Additional meetings may be called upon serving of proper notice at any time to address specific needs of the Company. A Committee meeting may be called by the Committee Chairman, or any Committee member.

ii. <u>Notice and Agenda</u>

Notice of not less than seven days of every meeting of the CSR Committee of the Company shall be given in writing to every Committee Member at his address registered with the company or and shall be sent by hand delivery or by post or through electronic means. The meeting of the CSR Committee may be called at a shorter notice to transact urgent business.
The Chairman of the Committee shall establish the agenda for each Committee meeting. The agenda of the business to be transacted at meeting shall be distributed to Committee members along with Notice. Each Committee member is free to request the inclusion of other agenda items.

iii. <u>Quorum and Attendance</u>

Quorum for any Committee meeting shall be one-third of its total strength or two members, whichever is higher. A Committee member who is unable to attend a committee meeting in person may participate by telephone or teleconference or by video Conference but in such cases, for the purpose of quorum, only attendance through video conference will be counted.

H. <u>CSR Budget and Expenditure</u>

1. The Company shall allocate a minimum of 2% (two percent) of the average Net Profits earned in the three immediately preceding financial years, as per the Act, Rules, and the CSR Policy.
2. The CSR Committee shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.
3. The Board holds the responsibility of approving the CSR Expenditure. Collaborating with the CSR Committee, it ensures that the funds for CSR Expenditure are made available to the Implementation Group for the execution of CSR Activities.
4. Any surplus generated from CSR Activities shall not contribute to the Company's business profit. Instead, it must be reallocated exclusively to the CSR Activities outlined in this CSR Policy and the annual action plan for the relevant financial year.
5. CSR Activities, to be considered part of CSR Expenditure, must adhere to applicable laws and should exclude the following:
   - i. activities undertaken in pursuance of normal course of business of the company.
   - ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
   - iii. Contributions directly or indirectly to any political party under Section 182 of the Act.
   - iv. Activities benefiting company employees, as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019).
   - v. Sponsorship-based activities supporting marketing benefits for the company's products or services.
   - vi. Activities carried out to fulfil any other statutory obligations under any law in force in India.
   - vii. Projects/activities not falling within Schedule VII (i.e., activities mentioned under CSR initiatives and programs).
6. The Board is responsible for ensuring that administrative overheads do not exceed five percent of the total CSR expenditure of the Company for the financial year.

I. Governance

Overall governance of CSR and approving of the CSR Policy will be the responsibility of the Board through the CSR Committee.

- The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy,

- The Board shall ensure proper implementation of the CSR Policy along with monitoring and reviewing CSR Activities undertaken by the company and provide inputs as and when required.
- The Board shall satisfy itself that the CSR funds so disbursed are alignment to the CSR Policy of the company and have been utilized for the purposes and in the manner approved by it. The CFO or appropriate authority shall certify the same to the effect.
- The Board shall also ensure appropriate disclosures pursuant to the Act and Amendments thereof in the Annual Reports and company's Website in prescribed formats.
- In case of ongoing project, as defined under the Companies (CSR Policy) Amendment Rules 2021, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period

The CSR Department of the company if any or in absence of CSR department the Board will be responsible administering and executing the policy. As the company's CSR activities evolve further, the policy may be revised with the approval of the Board as per the recommendations CSR Committee of the Board.

J. <u>CSR Activities</u>

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:
   (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh 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 art; setting up public libraries; promotion and development of traditional art and handicrafts;
   (vi) 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;
   (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
   (viii) 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;
   (ix) (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

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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)

(x) rural development projects

(xi) slum area development.
[Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

(xiii) Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
3. Based on the scope of activities set out in this paragraph above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
4. The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
5. The following details of any CSR Activities to be undertaken by the Company shall be presented to the Board by the CSR Committee along with its recommendations:
   (i) The list of CSR projects or programmes to be undertaken in areas or subjects specified in Schedule VII of the Act;
   (ii) The objectives and expected results of the CSR Activity;
   (iii) The relevant sector and the nature of the CSR Activity;
   (iv) The focus area/ location for implementation of the CSR Activity;
   (v) The modalities of utilisation of funds and amount to be allocated towards the CSR Activity;
   (vi) The implementation schedules for the projects or programmes with indicative timelines for completion of the CSR Activity;
   (vii) The manner of execution - whether the CSR Activity should be undertaken by the Implementation Group or any Implementing Agency or in collaboration with any other company;
   (viii) Monitoring and reporting mechanism;
   (ix) details of need and impact assessment, if any, for the projects undertaken by the company; and
   (x) Such other details as it may deem necessary.
6. In case any of the CSR Activities to be undertaken are anticipated to be long term i.e. an ongoing project being of a term of 3 (three) years excluding the financial year in which it was commenced, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
7. Based on the recommendations of the CSR Committee, the Board shall approve the CSR activities of the Company for a given financial year.

K. CSR Implementation

The CSR Committee would assist in implementation and monitoring of the CSR projects/initiatives. Implementation of CSR activities can be done in number of ways:

i. a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 ("IT Act"), established by the Company, either singly or along with any other Company, or

ii. by the company itself

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iii. 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;

iv. an entity established under an Act of Parliament or a State legislature;

v. a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80 G of the IT Act, and having an established track record of at least three (3) years in undertaking similar activities.

Each of our CSR projects and programs would have clearly defined output, outcome and process indicators which will have to be reported on a periodic basis. All projects and programs will be primarily monitored by the Internal CSR team of the Company, based on the reports and field visits and be reported to the CSR Committee. The CSR Committee will receive periodical progress reports of all CSR activities of the company.

The Company may also collaborate with other companies for undertaking projects or CSR activities.

L. Guiding Principles on formulation of the Annual Action Plan to initiate CSR project:

a) The Company will ensure that its CSR projects are non-discriminatory in nature and do not have any restrictive political or religious affiliations.

b) The programs/ projects will be within the areas recommended / listed in the Schedule VII of the Act and mentioned in the Policy.

c) The programs/ projects will be beyond business as usual.

d) The programs/projects will be implemented within the country (with an exception if any as permitted by the CSR rules) and preferably in areas where the Company has its presence.

e) Programs/Projects should not be exclusively for the benefit of employees of the company or their family members or those that are conducted /undertaken exclusively in pursuance of the normal course of business.

f) The programs/ projects should exclude activities that are to be supported on sponsorship basis for deriving marketing benefits for its products or services.

g) The programs/ projects should exclude activities carried out for fulfilment of any statutory obligations under any law in force in India.

h) In review of existing 'ongoing' projects as defined under the CSR Amendments and its progress against the approved timelines for those projects.

i) In review of excessive amount approved by the Board for setting off against the budget of any financial year as eligible under the Act and its amendments.

j) In review of any unspent amount from preceding FYs as aggregated in 'Unspent Corporate Social Responsibility Account (UCSRA)

k) Any surplus, generated out of the CSR activities of the Company, will be ploughed back to the CSR Initiatives of the Company and Unspent amount (if any) from CSR program/project will be incurred/transferred in accordance with CSR rules of the Act and amendments thereof

During any financial year, the Annual Action Plan of the Company may be modified with approval of the board to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved projects.

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M. Monitoring

The CSR Committee will ensure a transparent monitoring mechanism for ensuring effective implementation of the projects / programs/ activities proposed to be undertaken.
The Company's CSR activities will be reviewed by the CSR Committee. A system will be put in place to maintain a transparent monitoring and reporting mechanism across all the stakeholders involved in the CSR activities of the company, as desired by the CSR Rules (Section 135, Companies Act, 2013).

N. Reporting

Significant CSR activities and achievements will be reported as part of the Director's Report in the Company's Annual Report and also as per any other statutory and regulatory reporting requirements.

O. Review

This Policy will be reviewed periodically by the Board.

P. Amendments

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.

Q. Disclaimer:

In case of any subsequent changes in the provisions of the Companies Act, 2013 or the Listing Regulations or any other applicable law which makes any of the provisions in this Policy inconsistent with the Companies Act, 2013 or the Listing Regulations or such applicable law, the provisions of the Companies Act, 2013 or the Listing Regulations or such applicable law would prevail over the Policy and the provisions in this Policy would be modified in due course to make it consistent with such changes. The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective.

Effective Date: 27-06-2026

Date of the approval by the Board: 27-06-2026

Chairman's Signature

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