SAMPARK INDIA LOGISTICS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Preamble

Sampark India Logistics Limited ("the Company") recognises that its long-term success is linked to the well-being of the communities and the economy within which it operates. This Corporate Social Responsibility ("CSR") Policy sets out the Company's approach to CSR in accordance with Section 135 of the Companies Act, 2013 ("the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("the CSR Rules"), read with Schedule VII to the Act.

This Policy has been formulated and Approved by the Board of Directors of the Company ("the Board") effective from Financial Year 2024-25 onward.

2. Objective

The Company's CSR objective is to contribute meaningfully to inclusive and sustainable development, with a specific thrust on skill development, employment-enhancing vocational training, and livelihood enhancement of youth — an area recognised under item (ii) of Schedule VII to the Act — while remaining open to supporting other Schedule VII areas as the Board may approve from time to time.

3. Definitions

- "Act" means the Companies Act, 2013, including any statutory modification or re-enactment thereof.
- "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.
- "CSR Committee" means the Corporate Social Responsibility Committee of the Board constituted under Section 135(1) of the Act.
- "NAPS" means the National Apprenticeship Promotion Scheme administered by the Ministry of Skill Development and Entrepreneurship, Government of India, under the framework of the Apprentices Act, 1961, as amended.
- "Statutory Apprenticeship Obligation" means the minimum apprenticeship engagement (currently a minimum of 2.5% of the total strength of the establishment, subject to the applicable band prescribed under the Apprentices Act, 1961 and rules made thereunder) that the Company is legally required to fulfil, independent of this Policy.

4. CSR Committee

In terms of Section 135(9) of the Companies Act, 2013, the Company is exempt from the requirement of constituting a CSR Committee as its annual CSR obligation is less than ₹50 Lakhs. The Board of Directors of the Company directly discharge all functions, duties, and responsibilities of the CSR Committee as prescribed under the Act.

5. Focus Areas of CSR Activity

Subject to the exclusions set out in Rule 2(1)(d) of the CSR Rules and available budget, the Company may undertake CSR activities under the following Schedule VII heads, as approved by the Board from year to year:

- Promoting education, including special education, and employment-enhancing vocational skills, especially among youth, women, and disadvantaged groups, and livelihood enhancement projects [Schedule VII, item (ii)] — the Company's flagship area of engagement, described in Section 6 below.
- Eradicating hunger, poverty and malnutrition, promoting health care and sanitation [item (i)].
- Environmental sustainability, ecological balance, and conservation of natural resources [item (iv)].
- Rural development projects [item (x)] and other Schedule VII items as the Board may approve.

6. Flagship CSR Programme — Skill Development through Apprenticeship Support

The Company has, for several years, engaged apprentices under NAPS as part of its ordinary human-resource practice. Under the Apprentices Act, 1961 and NAPS, establishments meeting the prescribed threshold are statutorily required to engage apprentices to the extent of a minimum of 2.5% of the total strength of the establishment. This Statutory Apprenticeship Obligation is a legal compliance requirement of the Company, and the cost of engaging apprentices up to this statutory minimum is met from the Company's ordinary business and human-resource budget. It does not form part of, and shall never be counted towards, the Company's CSR expenditure.

With effect from Financial Year 2024-25, the Board has approved bringing a defined, additional cohort of apprentices — engaged strictly over and above the Statutory Apprenticeship Obligation — within the ambit of the Company's CSR activities, as a project for the promotion of employment-enhancing vocational skills and livelihood enhancement of youth falling within item (ii) of Schedule VII to the Act ("promoting education, including special education and employment enhancing vocation skills especially among ... and livelihood enhancement projects"), read liberally in accordance with the Ministry of Corporate Affairs' General Circular No. 14/2021 dated 25th August, 2021.

This alignment is consistent with the guidance issued by the Ministry of Skill Development and Entrepreneurship (MSDE) and the National Skill Development Corporation (NSDC), the nodal agencies administering NAPS, which recognise that employers may support apprenticeship engagement over and above the statutory minimum requirement through their CSR budgets. For the avoidance of doubt, this recognition rests on the general vocational-skills head of Schedule VII, item (ii), as interpreted liberally under the above Circular; the Company has not relied on, and is not aware of, any notification specifically and separately naming NAPS as a CSR-eligible scheme in the manner that certain Central Government funds have been specifically notified under item (viii) of Schedule VII (for example, the PM CARES Fund). This Policy, and the ring-fencing mechanism set out below, are accordingly designed to stand independently on the general Schedule VII item (ii) basis.

Ring-fencing of CSR spend from statutory apprenticeship cost

To ensure that CSR credit is claimed only in respect of engagement genuinely over and above the Statutory Apprenticeship Obligation, and not in fulfilment of any statutory obligation or in the Company's normal course of business, the following controls shall apply each financial year:

(a) The board shall obtain from the Human Resources function, prior to year-end, a certified computation showing: (i) the Company's total workforce strength as on the relevant reference date; (ii) the resulting minimum statutory apprenticeship requirement; (iii) the total number of apprentices actually engaged during the year; and (iv) the incremental number of apprentices engaged over and above the statutory minimum.

(b) Only the stipend costs directly attributable to the incremental cohort identified at (a)(iv) shall be treated as CSR expenditure. Costs relatable to apprentices engaged to meet the statutory minimum shall continue to be borne and accounted for as an ordinary business/HR cost, and shall not be reflected in the CSR budget or the Annual Report on CSR Activities.

(c) Where any Government reimbursement or subsidy (including under NAPS) is received in respect of the incremental cohort, only the net amount actually borne by the Company, after adjusting such reimbursement, shall be reckoned as CSR expenditure, so as to avoid attributing government-funded costs to the Company's CSR spend.

(d) The certified computation at (a), together with supporting apprentice-wise records, shall be placed before the Board annually, retained as part of the Company's CSR records, and shall form the basis for the disclosures made in the Annual Report on CSR Activities annexed to the Board's Report and in the CSR-2 e-form filed with the Ministry of Corporate Affairs.

Selection of apprentices for the incremental, CSR-linked cohort shall give preference to candidates from economically disadvantaged backgrounds, first-generation learners, and holders of ITI/diploma qualifications, so as to reinforce the programme's character as a genuine skill-development and livelihood-enhancement initiative for the benefit of the wider community, rather than a talent-sourcing exercise for the Company's own operational requirements.

Engagement as an apprentice under this programme shall not, by itself, create any right, expectation, or obligation of absorption into regular employment with the Company. The objective of the programme is to enhance the employability and skill certification of the apprentices concerned, whether or not they are subsequently offered employment by the Company.

7. Modes of Implementation

CSR activities under this Policy may be undertaken by the Company directly, or through an implementing agency registered under Rule 4 of the CSR Rules (including a Section 8 company, registered trust, or registered society, each holding a valid CSR-1 registration), or in collaboration with any training partner empanelled under NAPS, as the Board may approve.

8. CSR Budget and Allocation

The Company shall, in each financial year, spend at least two per cent of its average net profit made during the three immediately preceding financial years (or such shorter period as may be applicable under Section 135(5) of the Act) on CSR activities. The Board shall recommend the allocation of this budget between the flagship apprenticeship-support programme described in Section 6 and other approved Schedule VII activities, for the Board's approval.

Any amount remaining unspent shall be dealt with in accordance with Section 135(5) and (6) of the Act — transferred to a Fund specified in Schedule VII within six months of the end of the financial year, in the case of amounts not relating to an ongoing project, or transferred to a special "Unspent CSR Account" within thirty days of the end of the financial year, in the case of amounts relating to an ongoing project, and thereafter utilised in accordance with the CSR Rules.

9. Monitoring, Reporting and Impact Assessment

The board shall monitor the implementation of CSR projects, including the flagship apprenticeship-support programme, on a periodic basis. Where required under Rule 8(3) of the CSR Rules, the Company shall undertake an independent impact assessment of eligible CSR projects. The Company's CSR activities, expenditure, and the composition of the Board shall be disclosed in the Board's Report in the format prescribed under Rule 8(1) of the CSR Rules, and reported to the Ministry of Corporate Affairs through Form CSR-2, in each case supported by the apprentice-wise computation referred to in Section 6 above.

10. Excess CSR Spend

Where the Company spends any amount in excess of the requirement specified under Section 135(5) in a financial year, such excess amount may be set off against the requirement to spend in succeeding financial years, in accordance with the third proviso to Section 135(5) and Rule 7(3) of the CSR Rules.

11. Review and Amendment

This Policy shall be reviewed periodically, and may be amended by the Board on the recommendation of the Board, to reflect changes in law, the Company's CSR strategy, or its operating environment.

12. Website Disclosure

In accordance with Section 135(4) of the Act and Rule 9 of the CSR Rules, this Policy and the CSR projects approved by the Board shall be disclosed on the Company's website at https://silpl.rathigroup.info.