



SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018
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URL: www.seml.co.in CIN: L27100MH1973PLC016617

CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble

Corporate Social Responsibility [CSR] is strongly connected with the principles of sustainability. An organization should make decisions based not only on financial factors, but also on the social and environmental factors and consequences. As such, SEML has taken, as its core corporate responsibility, to practice corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

SEML recognizes that its business activities have wide impact on the societies in which it operates and therefore, an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR a key business process for sustainable development. SEML is responsible for continuously enhancing its shareholders wealth and at the same time, is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society.

Policy Statement

CSR Policy of SEML shall ensure that all developmental activities/ initiatives undertaken are accessible to the most deserving segments such as children, women, elderly and those with disabilities. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, infrastructure development, etc.

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. SEML adopts an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

Objective

The main objective of CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development for the society. It aims at supplementing the program of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

The key objectives of this policy are to:

- Define CSR and the approach adopted to achieve our CSR Objectives
- Define the kind of activities/projects that will come under the ambit of CSR
- Identify broad areas in which the company will participate
- Serve as a guiding document to help execute and monitor CSR activities
- Elucidate criteria for partnering implementation agencies

Definitions

Act – means the Companies Act, 2013, as amended from time to time.

Listing Regulations – means the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015 as amended from time to time.



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Rules – means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

CSR Committee

SEML has a Board Level Sub-Committee herein after referred to as CSR Committee consisting of three or more Directors out of whom at least one shall be an Independent Director. The Committee will report to the Board of Directors of the Company.

The CSR Committee shall be responsible for the following:

- a) formulate and recommend to the Board, suitable CSR Policy which shall indicate the activities to be undertaken by the company in terms of Schedule VII of the Companies Act, 2013;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) delegating powers for approving CSR budget within the framework of CSR policy; and
- d) monitor the CSR spending of the company from time to time.

Focus Areas

All CSR activities are identified in consultation with the community. The assessment is based on need at grass root level to reach out the beneficiary. Actions are / shall be initiated to implement, integrate and evaluate best practices of CSR initiatives.

The CSR activities being pursued / to be pursued will be focused not just around SEML's plants and offices, but also in other geographies based on the needs of the communities. CSR activities of SEML will cover the following focus areas:

Promotion of quality education especially among children in the remote areas deprived of the basic education, including:

- financial support to govt. schools and charitable organizations running schools on non-commercial consideration;
- non-formal education programmes;
- supporting schools with infrastructure facilities;
- supporting children for higher education;
- transport and other facility to attract children to schools;
- adult literacy for women;
- providing of Hostel facilities for students and working women.

Promoting Health care including Preventive Health care through awareness programmes, health check-ups, provision of medicine & treatment facilities, providing pre-natal & post-natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity. Operation of mobile dispensary to serve the people residing in remote areas deprived of basic medical facilities and to the under privileged class, industrial workers and people of surrounding villages. Organising Blood Donation camps.

Employment and livelihood enhancing vocational skills and projects



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Promotion of rural and nationally recognized sports through:

- adoption of games and sponsoring events to attract local talent to the games
- scholarships to deserving players for training & Development of their skills and improved nutrition
- provision of sports items to the schools and athletic organisation

Rural Developments projects such as:

- excavation and deepening of ponds
- construction of roads, drains and other public utilities
- drinking water supply arrangements including borewells, tanks and pipe lines
- electrification of public places
- Support initiatives in rural areas on health and hygiene

Social business projects for eradication of poverty and empowerment of under privileged through generation of alternative source of income to the villagers such as promotion of:

- dairy activities among villagers through sustained support for:
 - ✓ breed improvement for higher yield;
 - ✓ veterinary support;
 - ✓ procurement of high yielding animals;
 - ✓ preservation of perishable products;
 - ✓ promotion of high yielding fodder.
- organic farming, bio-methanation and wormi-compost fertilizer projects;
- use of hybrid seeds in agriculture for improved yields;
- water recharging/harvesting among the farmers;
- support for formation & operation of SHG and JLG;
- old age homes for senior citizens and homes for students and working women.

Ensuring environmental sustainability and ecological balance through:

- plantation drives;
- reviving endangered plants, promoting agro-forestry;
- protection of flora & fauna /promoting biodiversity;
- conservation of natural resources;
- maintaining quality of soil, air & water;
- adoption of wastelands to cultivate plants;
- animal welfare and veterinary services;
- promoting alternate energy resources;
- technical support and knowhow for improving farming and building capacities of small farmers.

Eradicating hunger, poverty and malnutrition

- provision of food, nutritional supplement, clothes, etc. for the poor, children and other deprived sections of the society;
- supporting nutrition in anganwadi centres and building capacities of anganwadi workers to this effect;
- provision of shelter for homeless;



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- promoting sanitation including support for potable drinking water and toilets

Slum Area Development

- `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.

Disaster Management, including relief, rehabilitation and reconstruction activities.

Other Activities

- Welfare for differently disabled persons;
- Protection of national heritage, art, culture and handicraft; Restoration of Buildings & sites of historical importance & works of art;
- Support in such form as possible at the time of natural calamity or engage in Disaster Management system;
- Employing people and incurring other costs to carry out aforesaid activities;
- Support to NGOs/charitable organizations working for any of the above specified objects;
- Such other activities as may be permitted from time to time by law / as the Board may consider appropriate.

Contributions for CSR Activities

- To contribute 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 Government for socio-economic development and relief;
- To contribute or provide funds to technology 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;
- To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, for any activity which may be recognized as CSR activity;
- To contribute to any 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 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)
- To promote sustainability in partnership with industry associations in order to have a multiplier impact.



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- To contribute for welfare of armed forces personnel, war widows and their dependants;

Implementation

Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with such modifications that may be deemed necessary.

The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such approved persons or bodies as it may deem fit. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct.

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to Corporate HR department who in turn shall seek the clarification from the CSR Committee. In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR policy would be subject to revision/amendment in accordance with the Rules and guidelines on the subject as may be issued by the Government, from time to time, subject to approval of the CSR Committee.

Annual CSR Budget

In line with the requirements of the Companies Act, 2013, SEML shall earmark as CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the company and shall be utilized for CSR activities only. Any unutilized amount shall be carried over to subsequent year to be used only for CSR activities.

The Company may spend an amount not exceeding 5% of total CSR expenditure of the Company for the financial year on administrative overheads related to CSR activities of the company.

In case, the Company fails to spend the prescribed CSR amount in any financial year, the Board shall, in its report specify the reasons for not spending the amount. Further the Board shall also identify whether the unspent amount relates to Ongoing Projects or Non-ongoing Projects.

The unspent amount relating to any Project other than Ongoing Project shall be transferred to such Fund as may be specified in Schedule VII to the Act within a period of six months of the expiry of the respective financial year. The unspent amount relating to any Ongoing Project shall be transferred by the Company within a period of thirty days from the end of the financial year to a special 'Unspent CSR Account' for that financial year and such amount shall be spent



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by the Company in pursuance of its obligation towards the Ongoing Project within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the unspent remaining amount to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

In case the Company spends an amount in excess of requirement provided in Section 135(5) of the Act, such excess amount may be set-off against the requirement to spend under Section 135(5) of the Act in the immediately succeeding three financial years provided the Board approves the set-off by passing a resolution to that effect. The profit/surplus arising out of the CSR activities shall not be available for set-off.

Impact Assessment

Company shall undertake impact assessment when the average obligation exceeds Rs.10 Crores in the immediately three financial years. Such Impact Assessment shall be undertaken through an independent agency, in respect of CSR projects having outlays of ₹ 1 Crore (Rupee one crore only) or more, and which have been completed not less than one year before undertaking the impact assessment and the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

The expenditure incurred towards Impact assessment, if applicable, may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed two percent of the total CSR expenditure for that financial year or Rs.50 lakh, whichever is higher.

Monitoring

The CSR Committee shall review the implementation of the CSR Programs periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programs and at the end of every financial year, the CSR Committee will submit its report to the Board.

Further, on the recommendation of the CSR Committee, the Board may review and amend this Policy from time to time. The Company reserves the right to modify, cancel, add to, or amend this Policy, with the approval of the CSR Committee / Board of Directors.

Dissemination

The contents of the approved CSR Policy shall be disclosed in the Board's Report and shall also be displayed on the Company's website.

Effective Date

This revised Policy shall be effective from 1st April 2025.

Review

The CSR Committee shall review the policy as and when required and recommend to the Board, suitable changes therein.



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This Policy is framed based on the provisions of the Act and the Listing Regulations. In case of any subsequent changes in the provisions of the Act, or in the Listing Regulations or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

Contact

For queries related to CSR Policies, please contact:

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