



POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

AVSL INDUSTRIES LIMITED (COMPANY)
POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

PREAMBLE:

- The aim of the Corporate Social Responsibility Policy (CSR Policy) is to ensure that it becomes a socially responsible Corporate Entity contributing towards improving the quality of life of the Society at large.
- This policy shall apply to all CSR initiatives and activities to be undertaken by the Company independently or any Group Company or any NGO or through a registered public charitable trust.

VISION:

"Taking Corporate Social Responsibility (CSR) as a strategic social investment, we aim to align and integrate our resources with Society's developmental needs towards creating a better tomorrow".

MISSION:

To align our objective, vision and carry out initiatives in the area of a) education and skill development, b) social and economic welfare, c) environmental sustainability

CSR ACTIVITIES:

In accordance with the requirements under the Companies Act 2013 and the rules made thereunder, Company's CSR activities, amongst others, will focus primarily on Primary Education, Healthcare and Sustainable Livelihood. Activities proposed to be carried out by the Company for fulfillment of our CSR vision would include the following:

As per Schedule VII of the Companies Act, 2013 and rules made thereunder mandates CSR expenditure for the following activity-

- 1) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water,
- 2) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects,

- 3) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward,
- 4) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- 5) 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,
- 6) Measures for the benefit of armed forces veterans, war widows and their dependents;
- 7) Training to promote rural sports, nationally recognised sports, paraolympic sports and Olympic sports;
- 8) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- 9) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government,
- 10) Rural development projects,
- 11) Slum Area Development

The approach of Company towards CSR will be oriented to identify and formulate projects in response to the need of society and to implement them with full involvement and commitment in a time bound manner. To take all reasonable steps for fulfillment of projects to be undertaken as a part of CSR activities and to provide all the facilities which are required for the targeted beneficiaries.

CSR Policy and initiatives/activities there under will be based on Social Commitment and necessarily be community oriented with focus on an integrated, overall, inclusive, equitable and collective approach. The CSR Policy will aim at socio-economic development schemes with the primary goal of ensuring that benefits reach the targeted beneficiaries. CSR activities/programmes to be undertaken shall be in line with approved guidelines of the Ministry of Corporate Affairs.

IMPLEMENTATION:

- a) The CSR activities shall be undertaken by the company, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- b) Keeping in line with Section 135 of the Companies Act 2013 and the rules made thereunder, the Company has constituted CSR Committee under the chairmanship of an Independent Director which has formulated and recommended the CSR Policy to the Board of Directors, and henceforth shall recommend the amount of expenditure to be incurred on CSR activities every

year in lines with the statutory provisions and monitor the implementation of the CSR policy periodically.

- c) CSR projects or programs or activities shall be undertaken in India Only.
- d) CSR projects or programs or activities shall be for the benefit of the public at large excluding the employees of the Companies.

FUNDING AND ALLOCATION:

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs/projects/Activities, AVSL Industries Limited will allocate at least 2% of average Net Profit of the immediately preceding three financial years, as its Annual CSR Budget, or as stipulated in the relevant statute from time to time.

Any unspent/unutilized CSR allocation of a particular year, will be carried forward to the following year. Any surplus arising out of the CSR Projects or Programs or activities shall not form the part of the Business profit of the Company.

UTILIZATION OF FUND:

From the allocated Fund, the annual CSR Budget will determine the activities to be undertaken under CSR for the scope of activities prescribed in CSR policy (as amended from time to time). Any expenditure not budgeted may be incurred if approved by the CSR Committee.

MONITORING AND FEEDBACK:

To ensure effective implementation of the CSR projects/ programs/activities undertaken at work center, a monitoring mechanism shall be put in place by the work center head. The progress of the CSR projects/ programs/activities under implementation shall be reported to the CSR Committee on periodic basis.

Appropriate documentation of any change in Company's CSR Policy, annual CSR activities conducted, executing agencies, and expenditure entailed shall be undertaken on a regular basis.

CSR initiatives of the Company shall also be reported in the Annual Report of the Company as required by the statutory provisions applicable.

GENERAL:

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

CSR Committee of the AVSL Industries Limited shall have power to revise/amend the CSR Policy in line with changing needs and aspirations of the target beneficiaries and make the suitable modifications as may be necessary.