

ATEPL
CSR POLICY

INDEX

1. PREAMBLE

2. CONCEPT:-

- 2.1. Introduction
- 2.2. Short Title and Applicability
- 2.3. Definitions
- 2.4. CSR Vision and Objective Statements

3. CSR COMMITTEE

4. FUNDING AND ALLOCATION

5. CSR PROJECTS, PROGRAMS AND ACTIVITIES

6. IMPLEMENTATION AND MODALITIES OF EXECUTION

7. SURPLUS ARISING FROM CSR ACTIVITY

8. CAPACITY BUILDING

9. MANAGEMENT COMMITMENT

10. MONITORING AND REPORTING

11. DISQUALIFYING ACTIVITIES FOR CSR

12. GENERAL

13. CONCLUSION

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

CSR POLICY AS RECOMMENDED BY THE CSR COMMITTEE PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES MADE THERE-UNDER AND ADOPTED BY THE BOARD OF DIRECTORS OF "ARVIND TECHNO ENGINEERS PRIVATE LIMITED" IN ITS BOARD MEETING HELD ON MONDAY, DECEMBER 15, 2014 AT THE REGISTERED OFFICE OF THE COMPANY.

PREAMBLE

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Govt. alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. Company has adopted CSR as a strategic tool for sustainable growth. For Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

2.1 INTRODUCTION

The Company **ARVIND TECHNO ENGINEERS PRIVATE LIMITED (ATEPL)** was incorporated on 30.01.1978. The Company wants to undertake CSR activities either through Registered Trust/ Registered Society/Company established under section 8 of the Act or through the outside Trust/ Society/Company that shall have an established track record of 3 years if not registered by the Company in similar programs or projects of Schedule VII or any amendment(s) thereof.

2.2 SHORT TITLE AND APPLICABILITY

This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the society at large, is titled as the '**ATEPL CSR Policy**'.

This policy shall apply to all CSR initiatives and activities taken up by the company either through Registered Trust/ Registered Society or through the outside agencies that shall have an established track record of 3 years if not registered by the Company in similar programs or projects of Schedule VII, for the benefit of different segments of the society

2.3 DEFINITIONS

- 2.3.1 **"Act"**- means Companies Act, 2013
- 2.3.2 **"Rules"**- means the Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendment(s) thereof
- 2.3.3 **"Company"** - means ARVIND TECHNO ENGINEERS PRIVATE LIMITED (hereinafter referred as "ATEPL")
- 2.3.4 **"Corporate Social Responsibility (CSR)"**- CSR means and include but not limited to the activities as specified in this policy, but contribution directly or indirectly to the political party, business done by the Company in its normal course, activities only for the benefit of employees & their families and activities done outside India will not be considered as CSR activity
- 2.3.5 **"CSR Committee"**- means the Corporate Social Responsibility Committee of the Board as defined in **Section 135** of the Act.
- 2.3.6 **"Net profit"**- means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely:-
- i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
 - ii. Any dividend received from other companies in India which are covered under and complying with the provisions of section 135 of the Act.
- 2.3.7 **"Average Net Profit"**- Average Net Profit shall be computed as per section 198 of the Companies Act
- 2.3.8 **"CSR Expenditure"**- Expenditure only on the activities prescribed in this policy will be considered as CSR expenditure.

2.4 VISION AND OBJECTIVE STATEMENTS:-

Vision:-

In alignment with vision of the company, ATEPL through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its support and contribution.

Objective:-

- 1.) Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- 2.) To directly or indirectly take up programme that benefits the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
- 3.) To generate, through its CSR initiatives, a community goodwill for ATEPL and help reinforce a positive & socially responsible image of ATEPL as a corporate entity.

3. CSR COMMITTEE

3.1 Composition:

The following Board Members have been appointed as the Members of the CSR Committee:-

Mr. Arun Jain	Chairman
Mr. Suryansh Jain	Member
Mr. Prateek Jain	Member

3.2 Role: The Committee, referred above, shall

- i. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval;
- ii. Review & Recommend the CSR Budget to the Board of Directors of the Company;
- iii. Spend the amount for CSR expenditure on the activities enumerated in CSR policy.
- iv. Monitor CSR Policy on periodically basis
- v. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors

3.3 Frequency and Quorum of the Meetings of the CSR Committee

The CSR Committee shall meet periodically as and when required. Quorum of the CSR Committee Meeting shall be one-third of its total strength or two members, whichever is higher. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting.

4. FUNDING & ALLOCATION:

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, ATEPL will **allocate at least 2% of the average net profits made during the preceding three financial years**, as its Annual CSR Budget.

This amount shall be utilized from the profits and reserves of the company.

5. CSR PROJECTS, PROGRAMS AND ACTIVITIES

The Scope of CSR Activities shall cover the following projects, programs and activities but not limited to the same and may extend to the specific Project, Activity or Program as permitted under the law from time to time keeping in mind the CSR philosophy of the Company and in alignment with the permissible activities under the Companies Act, 2013 and rules framed there under (as amended from time to time).

1. Eradicating hunger, poverty and malnutrition, promoting Healthcare including Preventive healthcare and sanitation including contribution to swach bharat Kosh Set up by the Central Government for promotion of 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 and empowering women; setting up homes, hostels and day care centres for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups;
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 "including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
5. Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts;
6. 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 Caste, Scheduled Tribes, other backward classes, minorities and women;
7. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
8. rural development projects
9. slum area development

10. Any other projects, programs and activities falling within the permissible activities prescribed under Companies Act, 2013, rules made there under, any circular/notification/guidelines/clarification issued there under.

6. IMPLEMENTATION AND MODALITIES OF EXECUTION OF CSR ACTIVITIES

- i) The Company may undertake CSR Activities through registered trust or Registered society or any company established by the company, its holding, subsidiary Company under Section 8 of the Act for such not for profit objectives,

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

- ii) The Company may collaborate with other Companies for undertaking the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies(Corporate Social Responsibility Policy) Rules, 2014 (the "Rules").
- iii) The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed / notified by Central or State Government, from time to time for this purpose.
- iv) If the Company fails to spend, the amount stated hereinabove, then reason for not spending shall be stated in the Directors Report.
- v) The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

7. SURPLUS ARISING FROM CSR ACTIVITY

The surplus arising from CSR projects, programs or activities shall not form part of the business profit of ATEPL.

8. CAPACITY BUILDING

The Company may build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent, as well as how to effectively manage other organizations/trusts/societies through which or in collaboration with which the

Company undertakes/ may undertake CSR activities. CSR expenditure like salaries of personnel who are engaged in CSR activities, can be spent on capacity building for the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects and expenses incurred on their training etc.

However amount spent on this cannot make up more than 5% of the overall CSR spend for the year and the organisation providing the capacity-building training where engaged, must have a track record of more than three years in implementing such training.

9. MANAGEMENT COMMITMENT

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

10. MONITORING AND REPORTING

- 1.) To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programmes under implementation at work centre will be reported to corporate office.
- 2.) CSR Committee should review the implementation of CSR policy on periodically basis.
- 3.) Company may include a separate/chapter in the Director Report on the implementation of CSR activities/project including the facts relating to physical and financial progress.

11. DISQUALIFYING ACTIVITIES FOR CSR

- i) CSR projects and programs that are implemented by the Company for benefit of the employees of the Company and their families.
- ii) The CSR activities implemented outside India also fall outside the purview of the Rules and hence CSR expenditure on such activities will not be considered for inclusion in the CSR Report.
- iii) Any amount directly or indirectly contributed towards any political party under Section 182 of the Act shall not be considered as CSR Spend. Activities that are undertaken by the Company in pursuance of its normal course of business will not be considered as CSR activities.

12. GENERAL

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time. The Company reserves the right to modify, cancel, add, or amend any of these Rules.

13. CONCLUSION

The above guidelines would form the framework around which the CSR activities would be undertaken.

Since CSR Policy of Company includes all the Social Development activities in a broader perspective, the CSR Policy of Company will supersede earlier policies relating to CSR, if any.