

CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble

This Corporate Social Responsibility Policy (“Policy”) has been formulated pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, by the Corporate Social Responsibility Committee (“Committee”).

This Policy shall be effective from 5th March, 2015.

Objective

The objective of this Policy is to align the current Corporate Social Responsibility (“CSR”) activities of the Company with the requirements of Section 135 of the Companies Act, 2013 (as amended from time to time), rules notified thereunder and any other applicable statutory provision(s) and outline the way forward to pursue its social projects and programmes in a focused manner ensuring maximum positive impact to the society.

Applicability

This Policy shall apply to all CSR programmes of the Company.

Approach

The Company may undertake any of the activities mentioned in Schedule VII of the Companies Act, 2013, as may be amended from time to time with primary focus on education, health, water and sanitation, women empowerment, Covid management, support for pandemic, livelihood development and disaster management.

While the Company shall generally and preferably spend funds earmarked for CSR activities in local areas and areas around it where the Company operates however the Company may also spend such funds outside local area of operations or make donations/contributions in National/State or other funds under schedule VII of the Companies Act, 2013.

Budget

The Company shall finalise the CSR budget in view of the CSR plan envisaged and considered fit, and the same shall be in compliance with the applicable laws.

The Company shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy

If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount [and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. If such unspent amount relates to any ongoing project, it shall be transferred by the company within a period of thirty days from the end of the financial year to the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

If the company spends an amount in excess of the requirements provided under the law, the company may set off such excess amount against the requirement to spend under this sub-section for such number of succeeding financial years and in such manner, as may be prescribed in the Companies Act, 2013 from time to time.

The Company shall specify modalities of utilization of funds on such projects and programs if its CSR activities are being undertaken through a registered trust, society, Section 8 Company or any other entity.

The Company shall give preference to the local area(s) around it where it operates for spending the amount earmarked for CSR activities.

The surplus arising out of the CSR projects or programmes or activities shall not form part of the business profits of the company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Modalities of execution & implementation schedules

The CSR projects & programmes of the Company will be executed either directly or in collaboration with an NGO or through an external agency or by making contributions in the Fund or corpus set up by the State / Central Government or trust / society / section 8 companies respectively.

The Company and the implementing partner(s) will identify the needs of the local communities and effectively implement the projects designed to fulfill the needs of the people in these designated villages & communities. The Company may also get an independent evaluation done for need assessment.

The programmes & beneficiaries shall not be decided and / or influenced by the management. The Company shall endeavor a self-sustaining programme after seed funding.

The Company and the implementing partner(s) may also affiliate or collaborate with other corporates including its subsidiaries, government, registered societies or NGOs to implement the CSR projects of the Company to achieve maximum benefits.

The Company will also encourage and recognize its employees for volunteering in the community by serving and sharing their expertise and skill.

Monitoring & reporting mechanism

The Company will establish a monitoring & reporting framework to evaluate the progress and impact of its CSR activities. Monthly reports on all the ongoing projects will be shared by the AIS employees (CSR Team) / implementing partner(s) / NGO and an annual review shall be done by the CSR Committee. The Board shall thereafter review the performance of the CSR activities of the Company, review the project-wise amount spent, set targets and approve budgets for the next year on the recommendations of the CSR Committee and ensure compliance with the provisions of the Companies Act, 2013 and rules made thereunder.

The CSR Committee will formulate and recommend to the Board an Annual Action Plan which includes the modalities of utilization of the CSR funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the project or programmes and details of need and impact assessment for the projects undertaken by the Company. The CSR Committee also recommends any alteration in the Annual Action Plan at any time during the year and update, if any, required to the CSR policy. The CFO shall certify to the fact that CSR funds so disbursed have been utilized for the purpose and in the manner approved by the Board.

Disclosure

Adequate disclosures pertaining to this Policy shall be made in the Annual Report as a part of Board's Report and on the website of the Company.

Amendments

The Committee and / or the Board may review and amend this Policy as and when it deems necessary.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date of such amendment(s), clarification, circular(s)etc.
