

Policy on Corporate Social Responsibility

CONTENTS

Reference Clause	Particulars	Page
1	Preamble	1
2	Introduction	1
3	Objective	1
4	Areas	1
5	Scope	2
6	Implementation	5
7	Area Level Committee for CSR approvals	6
8	Source of Funds	6
9	Approval of CSR Proposal	7
10	Monitoring	7
11	Reflection of CSR Activities	7
12	Conclusion	7

Policy on Corporate Social Responsibility

1) 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 consequences. Policy on Corporate Social Responsibility is mandatory as per guidelines of Companies Act 2013. CSR is defined within a frame work of Corporate Philosophy which factors the needs of the community and the regions in which corporate entity functions. Therefore, it is the core corporate responsibility of AMD Industries Ltd to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

AMD Industries Ltd 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.

2) INTRODUCTION

The Corporate Office of the Company is in New Delhi and plants are in Ghaziabad and Neemrana. The primary beneficiaries of CSR should be those staying around the Plants. Poor and needy section of the society living in different parts should be second beneficiaries. Moreover, AMD's CSR policy should be integrated with the business plan so that environment and social concerned are well addressed along with growth in business.

In the aforesaid backdrop, policy on Corporate Social Responsibility of AMD is broadly framed taking into account the following measures: -

- a) Welfare measures for the community at large so as to ensure the poorer section of the Society derived the maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness specially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- c) Protection and safeguard of environment and maintaining ecological balance.

3) OBJECTIVE

The main objective of CSR policy is to lay down guidelines for AMD to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate short term and long term and environmental consequences of their activities.

4) AREAS TO BE COVERED

AMD shall execute CSR activities in the areas around its plants and Headquarter. AMD may approve specific cases of projects in different areas.

Policy on Corporate Social Responsibility

5) SCOPE

- ❖ **eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.**
 - ✓ Water Supply to village through mobile Tanker in summer till permanent Arrangement
 - ✓ Installation/Repair of Hand Pumps/Tube Wells.
 - ✓ Digging/Renovation of Wells.
 - ✓ Development/construction of Water Tank/Ponds.
 - ✓ Rain water-harvesting scheme
 - ✓ Formation of a Task Force of Volunteers to educate people regarding proper use of drinking water.
 - ✓ Empowerment to the villagers for maintenance of the above facilities for availability of water.
 - ✓ Sulabh Souchalaya
 - ✓ Health care by organizing camps and providing health check up & medicine.
 - ✓ Social evils like alcohol, smoking, drug abuse etc
 - ✓ Child and Mother care
 - ✓ Diet and Nutrition.
 - ✓ Blood donation camps.
 - ✓ Diabetics detection & Hypertension Camps
 - ✓ Family Welfare.
 - ✓ Senior Citizen Health Care
 - ✓ Wellness Clinics.
 - ✓ Giving medical and Legal aid, treatment to road accident victims
 - ✓ Provisions for aids and appliances to the differently-able persons
 - ✓ To supplement the different programme of Local/State Authorities.
 - ✓ Trauma care around highways in case of road accidents
 - ✓ Enabling access to or improving the delivery of public health systems
 - ✓ Supplementing of Govt. schemes like mid-day meal by corporates through additional nutrition.

- ❖ **promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects.**
 - ✓ Support to Technical/Vocational Institutions for their self- development.
 - ✓ Educating the Masses and Promotion of Road Safety awareness in all facets of road usage.
 - ✓ Safety traffic engineering and awareness through print, audio and visual means.
 - ✓ Conservation and renovation of school buildings and classrooms.
 - ✓ Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.
 - ✓ Adult literacy especially amongst those belonging to BPL.
 - ✓ Awareness programmes on girl education.
 - ✓ Counseling of parents.
 - ✓ Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
 - ✓ Spreading legal awareness amongst people and disadvantageous sections of the society about their rights & remedies available.

Policy on Corporate Social Responsibility

- ✓ Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get uninterrupted education.
 - ✓ Employment facilities should be provided to the community people specially to the backward section by providing education and training thereby developing their skill for suitable employment. Further opportunities for self employment should be provided by constructing Shopping Complex in and around the projects. Besides, Co-operative Societies should be formed by active participation of local people for setting up Dairies, Poultries and Piggery etc, which will also help to generate self-employment.
 - ✓ Driver's training.
 - ✓ Consumer education and awareness.
 - ✓ Research and studies in promotion of education, vocations, etc.
- ❖ **promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically background groups.**
- ✓ Organizing training programmes for women on tailoring Embroidery designs, Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other Vocational Courses.
 - ✓ Enabling access to or improving the delivery of public health systems.
 - ✓ Slum re-development or EWS housing.
- ❖ **ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.**
- ✓ Organizing sensitizing programmes on Environment Management and Pollution Control.
 - ✓ Green belt Development.
 - ✓ Aforestation, Social Forestry, Check Dams, Park.
 - ✓ Development of jobs related to agro product i.e Dairy/Poultry/farming and others.
 - ✓ Plantation of saplings producing fruit.
 - ✓ Animal care
 - ✓ Renewable energy projects.
- ❖ **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 arts and handicrafts;**
- ❖ **Sports and culture, training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;**
- ✓ Promotion of Sports and Cultural Activities for participation in State level.
 - ✓ Promotion/Development of sports activities in nearby villages by conducting tournaments like Football, Kabaddi and Khokho etc.
 - ✓ Providing sports materials for various sports like Football, Volleyball, Badminton, Hockey etc to the young, talented, budding players and also to provide proper nutritious food for all round physical & mental development.
 - ✓ Promotion of State level teams.
 - ✓ Sponsorship of Cultural event to restore Indian Cultural Traditions and Values.

Policy on Corporate Social Responsibility

- ✓ Possibility of providing sports facilities for physically handicapped persons may be explored.
- ❖ **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;**
- ❖ **rural development projects viz. Infrastructure Support, Infrastructure for Village Electricity/Solar Light etc. Recurring expenditure should be borne by the beneficiaries.**
 - ✓ To develop infrastructural facilities for providing electricity through Solar Lights or alternative renewal energy to the nearby villages. Recurring expenditure should be borne by the beneficiaries.
 - ✓ Infrastructure Support – construction, repair, extension etc.
 - Auditorium,
 - Educational Institutions
 - Rural Dispensaries initiated by reputed NGOs.
 - Bridges, Culverts & Roads,
 - Shopping Complex to facilitate business/self employment for local people
 - Community Centre,
 - Yatri Shed in Bus Stand,
 - Burning Ghat/Crematorium
 - Development of Park
 - Play ground/Sports complex/Good Coaches.
 - Old Age Home.
- ❖ **Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Govt.**
- ❖ **Measures for the benefit of armed forces veterans, war widows and their dependents.**

The above list is illustrative and not exhaustive. The Corporate Social Responsibility Committee / Board of Directors may consider CSR activities not falling in this list.

6) IMPLEMENTATION

- a) The investment in CSR shall be project based and for every project time framed periodic mile stones shall be finalized at the outset.
- b) Project activities identified under CSR are to be implemented by specialized Agencies and or by Staff of the AMD. Specialized Agencies could be made to work singly or in tandem with other agencies.
- c) Such specialized agencies would include:
 - i) Registered Trust; or
 - ii) Registered Society; or

Policy on Corporate Social Responsibility

- iii) A Company established by the Company under Section 8 of the Companies Act 2013; or
- iv) Agencies having established track record of three years in undertaking specified projects/programs.
 - Voluntary Agencies (NGOs)
 - Institutes/Academic Organizations.
 - Trusts, Mission etc.
 - Government, Semi Government and autonomous Organizations.
 - Mahila Mondals/Samitis and the like
 - Contracted agencies for civil works
 - Professional Consultancy Organization etc.

(d) The areas / villages falling around plants shall be identified by respective GM/AGM/ Plant Heads.

7) AREA LEVEL COMMITTEE FOR CSR PROPOSALS

An Area Level Committee (ALC) having following members would be constituted at HQ and Plants: for identification and implementation of activities which involve the followings:-

- a. Mr. Adit Gupta
- b. Mr. Prabir Mukhopadhyay
- c. Wg. Cdr. M L Sharma
- d. Ms. Radha Shakti Garg
- e. GM / AGM / Plant Head - Ghaziabad
- f. GM / AGM / Plant Head - Neemrana

This Committee shall identify and implement activities involving the followings:-

- (ii) to decide the priority of activities to be undertaken under CSR.
- (ii) to interact with the CSR Implementing agencies (wherever appointed) for determining the activities to be undertaken.
- (iii) based on the total activities to be undertaken, the committee will recommended the quantum of Budget for the year.
- (iv) to monitor and review the progress of activities undertaken/completed and proper documentation of the completed projects.

The committee will also examine the proposal / requests submitted by CSR implementing agencies (wherever appointed) for Grant of donation / Financial Assistance/ Sponsorship etc. and also to submit its recommendation before the CSR committee.

This Committee shall after identifying the projects & budget, recommend it to CSR Committee for its approval.

8) SOURCE OF FUND

As per Companies Act 2013 guideline on CSR, the fund for the CSR shall be allocated based on 2% of the Average net profits of the company for last three financial years (Total Allocated Funds).

Policy on Corporate Social Responsibility

9) APPROVAL OF CSR PROPOSALS

The Corporate Social Responsibility Committee (CSRC) will examine & approve the proposals received from the Area Level Committee and decide allocation of funds at various heads / activities / projects.

The CSR Project shall be fixed for each financial year. This fund will not lapse. It will be transferred to CSR fund which will accumulate.

10) MONITORING

- a) The impact made by CSR activities should be quantified to the best possible extent with reference to base line data, which need to be created before the start of any project.
- b) The Area Level Committee shall prepare the Annual Report on CSR Activities. Monthly Report on CSR should be sent by each plant head to ALC highlighting the cumulative outlays and outcomes of the program with specific details.
- c) In each quarter, Board of Directors of AMD shall review the implementation of CSR.
- d) Meticulous documentation relating to CSR approaches, policies, programmes, expenditures, procurement etc. should be prepared and put in website of the company.

11) REFLECTION OF CSR ACTIVITIES

- i) Annual audit of all activities undertaken by the company would be done by an auditor. The CSR activities will be reflected in the Annual Report and Accounts of AMD under Social Overhead (CSR). Proper records should be maintained for the activities taken up, agencies involved etc.
- ii) The ALC will inspect all sites and reflect the same in their report for information, record and further action.
- iii) Photographs of all activities should be taken and copy of photograph along with soft copy should be sent to Chairman of CSR Committee.

12) CONCLUSION

The above guidelines would form the framework within which the CSR activities would be undertaken. Every Area should have specific activities to adopt mostly in their close vicinity of the projects.

The CSR Committee will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.