



Corporate Social Responsibility Policy



Introduction

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organization must realize that Government alone will not be able to get success in its endeavor to uplift the downtrodden of the Society. Corporate Social Responsibility 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.

The company endeavors to make CSR a key business process for sustainable development. Amrapali Industries Limited ("The Company") is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in accountable manner that creates a sustained positive impact on society.

Aims and Objectives

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.

In this regard, the Company has made 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 community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013 and rules made there under.

This policy has been formulated and recommended by the CSR Committee and adopted by the Board of Directors at its meeting held on February 14, 2015. The Board may, upon recommendation of the CSR Committee, amend or modify this CSR Policy as and when necessary.

Definitions

- 1) "**Act**" means Companies Act, 2013, as amended and modified from time to time.
- 2) "**Areas of Interest**" means the areas of interest as identified by The Company for implementing CSR goals and shall include the areas specified in this CSR Policy and shall include all CSR Activities as defined under the Act and CSR Rules from time to time.
- 3) "**Company**" means Amrapali Industries Limited.
- 4) "**Corporate Social Responsibility**" (CSR) means and includes but is not limited to:
 - i. Projects or programs relating to activities specified in schedule VII to the companies Act, 2013; or,



- ii. Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee and approved by the Board as per this policy.
- 5) **“CSR Committee”** means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013.
 - 6) **“CSR Commitment”** shall mean at least 2% of the average net profits of The Company made during the three immediately preceding financial years as described in this CSR Policy for conducting its CSR activities in accordance with the Act and CSR Rules.
 - 7) **“CSR Rules”** means the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time.
 - 8) **“Funding”** shall mean the disbursements that are to be made to an Organization pursuant to this CSR Policy, with the prior approval of the CSR Committee and the Board in accordance with the Act and Rules.
 - 9) **“Net Profit”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the followings, 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 Companies Act, 2013.

Provided that net profit in respect of financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies act 1956 shall not be required to be re-calculated in accordance with the provisions of the Companies Act 2013.

Objective of the Policy

- 1) To **assist socially and economically disadvantages segments of society** to overcome hardship and impoverishment
- 2) To enhance **increased commitment** at all levels in the organization towards reinforcing its image as a social and environmental conscience company
- 3) Demonstrate commitment to the common good through responsible business practices and good governance.



Corporate Social Responsibility Activities (Areas of interest)

The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, can undertake any of the following activities, as part of its corporate social responsibility initiatives, which are defined in Schedule VII of the Companies Act 2013;

1) Areas of Interest

- i. Contribution/Donations to Old age homes situated in Ahmedabad and nearby locations.
- ii. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- iii. Promoting education, employment enhancing vocation skills and the differently abled and livelihood enhancement projects.
- iv. Promoting gender equality, empowering women by setting up homes and hostels, setting up old age homes and orphanage house, day care centers and other facilities for senior citizens.
- v. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil or air and water including contribution to the clean Ganga set-up by the the Central Government for rejuvenation of river Ganga.
- vi. Promotion and protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries.
- vii. Measure for the benefit of armed forces veterans, war widows and their dependents.
- viii. Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports.
- ix. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the CG for socio-economic development and relief fund and welfare of the schedule castes, the scheduled Tribes, other backward classes, minorities and women.



Provided that Contribution to any fund set up by CG means it doesn't include the fund set up by state govt. or any local govt.

- x. Contributions or funds provided to technology incubators located within academic institutions which are approved by the CG.
- xi. Rural development projects.
- xii. Slum area development.

Provided that, the CSR projects and programs or activities that benefit only the employees of the Company and their relatives shall not be considered as CSR activities.

Also, the CSR activities undertaken in India only will be taken into consideration, in order to satisfy the requirement of section 135 of the Companies Act 2013.

- 2) The Company may update the above list as per Section 135 and Schedule VII of the Act as amended from time to time.
- 3) The Company focuses its philanthropy primarily in geographic regions of India where The Company has a business presence. However, The Company may contribute to causes in other parts of India, if the CSR Committee is of the opinion that such contribution is appropriate.
- 4) The Company will publish the list of specific projects / programs it plans to undertake for any financial year, and the modalities of execution, including implementation plan will be published as an Annexure to this policy from time to time.

CSR Mainstay

- 1) Collaboration with other Companies undertaking projects/programs in CSR activities.
- 2) Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time.
- 3) Directly by the Company for fulfilling its responsibilities towards various stakeholders.

Implementation and Resources for the CSR Activities

- 1) For achieving its CSR Initiatives and Activities through implementation of meaningful & sustainable CSR programs, the Company needs to allocate, in every financial year, at least 2% (two per cent) of the average net profit made by the Company during the three immediately preceding financial years.

The CSR Commitment shall comprise of the following:



- i. 2% (two percent) of the average Net Profits of The Company for the last 3 (three) financial years;
 - ii. Any income arising from the CSR Commitment; and
 - iii. Surplus arising out of CSR activities, if any.
- 2) If in case 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 prescribed amount.
- 3) The Company's CSR programmes will be identified and implemented according to the Board's approved CSR policy. The Company will enhance its monitoring and evaluation mechanism so as to ensure every programme has:
- i. Clearly defined objectives, targets and time lines.
 - ii. A progress monitoring system
 - iii. Impact assessments
 - iv. A reporting framework and system in alignment with the Act and rules
 - v. The company will implement its CSR programs either through any government or Non-Government Organizations.

Monitoring Mechanism

- 1) Organizations receiving Funding will be required to provide evaluation information on a periodic basis with details on the status of the CSR Activities, including details concerning the project deliveries, costs incurred, and in a manner prescribed by The Company.
- 2) A summary of these reports shall be tabled before the meetings of the CSR Committee.
- 3) Detailed reports will be available for further perusal of the members of the CSR Committee as required.
- 4) The Company reserves the right to suspend payments to an Organization that delays and or fails to provide, to The Company's satisfaction, details concerning the use of the Funding.

Reporting Mechanism

The Company shall publish its annual report on CSR Activities in its Directors Report in the manner prescribed under the Companies Act 2013 and the CSR Rules. This policy will also be available on The Company's website.
