

Corporate Social Responsibility Policy

Introduction

Corporate Social Responsibility (CSR) at AVTEC Limited ("AVTEC") goes beyond business and extends to the implementation of socially relevant activities for the benefit of society at large. AVTEC is committed to become a socially and environmentally responsible Company.

This Policy is in accordance with the requirements of the Companies Act, 2013 ("the Act") and Companies (Corporate Social Responsibility Policy) Rules 2014 ("the Rules") and any amendment thereto.

Vision and Policy Statement

Corporate Social Responsibility (CSR) is the AVTEC's contribution to social and economic development of the local community in which we operate and to society at large. In every financial year, we commit to spend a minimum of 2% of the average net profits for the immediately preceding three financial years on CSR activities. The Board of Directors of the Company ("the Board") through its CSR Committee will plan and monitor the expenditure of CSR activities.

The CSR Committee will annually recommend the CSR programmes and projects to the Board for its approval. The activities undertaken in the normal course of business will not be a part of CSR activities.

Applicability

This CSR Policy has been formulated in consonance with Section 135 of the Act read with the Rules. This Policy shall apply to all CSR projects / programmes undertaken by AVTEC in India as per Schedule VII of the Act. This Policy will be applicable to AVTEC including all its subsidiary companies in India.

CSR Budget

The CSR Committee will recommend the project-wise annual budgeted expenditure to the Board for its consideration and approval.

CSR Programmes and Projects

The AVTEC's commitment to CSR projects and programmes will be by investing resources into any of the following areas:

- ✓ eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation (including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water);
- ✓ promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- ✓ 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 backward groups;
- ✓ 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 set-up by the Central Government for the rejuvenation of river Ganga;
- ✓ 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 and handicrafts;
- ✓ 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;
- ✓ contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government and
- ✓ rural development projects

Implementation

The AVTEC's CSR programmes will be identified and implemented according to the Board's approved CSR Policy.

CSR Committee

➤ **Composition:**

- The CSR Committee shall comprise three or more Directors out of which atleast one director shall be an independent Director.
- Present composition of CSR Committee is as follows:
 - Mr. Naresh Chandra - Chairman of the Committee
 - Mr. Prabhakar Kadapa - Member
 - Mr. Haigreve Khaitan - Member (Independent Director)
 - Mr. Viraj Sawhney - Member

➤ **Roles and Responsibilities:**

The Committee shall:

- Formulate and update the CSR Policy which will be approved by the Board;
- Decide the CSR activities to be taken up by AVTEC in accordance with this Policy;
- Decide the amount to be allocated for each project or activity;
- Oversee and monitor the progress of the initiatives rolled out under this Policy; and
- Submit a report to the Board on all CSR activities undertaken during the financial year which shall duly be displayed on the AVTEC's website at www.avtec.in.

➤ **Frequency of Meetings:**

The Committee may meet twice in a financial year or as decided by the Board.