

ACES

CORPORATE SOCIAL RESPONSIBILITY POLICY

I. CSR POLICY

This CSR Policy encompasses Avant Garde Cleanroom & Engg. Solutions Private Limited philosophy for social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities.

II. DEFINITIONS

1. “Company” means Avant Garde Cleanroom & Engg. Solutions Private Limited.
2. “Act” means The Companies Act, 2013 and includes Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other applicable rules and any statutory modifications, re-enactment thereof.
3. “Board” means the Board of Directors of the Company.
4. “CSR Committee” means the Corporate Social Responsibility committee constituted under the provisions of the Act.
5. “Net Profit/Profit” refers to the average net profits of the Company, calculated in the manner as provided under the Act.
6. “Policy” means this Policy on Corporate Social Responsibility (“CSR”).
7. “Annual Action Plan” means the document with details about approved CSR projects, prepared as per the Act.

Any other terms used but not defined in this Policy shall have the meaning given to them under the Act or any other applicable rules, guidelines and regulations prescribed thereunder.

III. VISION STATEMENT AND OBJECTIVE

1. The CSR Policy sets out Company’s commitment towards ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, we propose to adopt the CSR Activities mentioned below.
2. In alignment with the above vision, Company, through the CSR Activities, will endeavor to enhance value creation in the society and in the community, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.
3. This CSR Policy has been framed in accordance with the applicable provisions of the Act.
4. The objective of this CSR Policy is to:
 - (i) Outline projects, programs and activities to be undertaken by Company;

- (ii) Define the monitoring process to be followed for such projects, programs and activities;
- (iii) Directly or indirectly take up programs that benefit the communities and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
- (iv) Generate community goodwill for the Company and help reinforce a positive and socially responsible image.

IV. CSR GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The Board of Directors of the Company will be responsible for:

- i. Approval of the CSR Policy of the Company and Annual Action Plan.
- ii. Disclosing the content of the Policy in its report and place the Policy and details about CSR projects on the Company's website, if any, in such a manner as prescribed under the Act.
- iii. The Board along with the CSR Committee and the CSR Cell shall be responsible for implementation of this CSR Policy.
- iv. Ensuring that activities included by a company in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Act.
- v. Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years calculated as per the provisions of the act.
- vi. Ensuring that funds disbursed on CSR activities have been utilised for the purposes and in the manner as approved by it.
- vii. In case of ongoing projects, ensuring that the company transfers the CSR amount to a separate bank account as per the provisions of the Act. Or transfers the CSR amount to a fund specified in Schedule VII, in case the Company fails to spend CSR amount in the financial year.
- viii. Board can alter Annual Action Plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- ix. The Board with unanimous consent shall have the power to dissolve the CSR Committee and constitute a new committee any time as per its discretion

CSR COMMITTEE

The CSR Committee has been constituted in accordance with the provisions of the Act comprising of following three Directors. The CSR Committee may invite other experts/ invitees as per its requirements.

- i. Gaurav Thakral – Chairman of CSR Committee
- ii. Akash Deep Singhal – Member of CSR Committee
- iii. Net Ram Sharma – Member of CSR Committee

Roles and Responsibilities

- (i) Formulating the CSR Policy and CSR Annual Action Plan, including the CSR Activities and their budgets as well as recommendation of any subsequent change/ modification to the CSR Policy and CSR Annual Action Plan whenever required and it deems fit;
- (ii) Formulating an implementation and monitoring mechanism for CSR Activities;
- (iii) Periodically updating the Board on the progress being made in the planned CSR Activities;

CSR CELL

The CSR Cell has been constituted to assist the CSR Committee with the implementation and impact assessment of the CSR initiatives. The CSR Cell comprises of the employees at the top hierarchy including member of the Board.

Roles and Responsibilities

- (i) Identifying CSR Activities at the directions of the Board and the CSR Committee;
- (ii) Undertaking impact assessment of the CSR Activities;
- (iii) Determining the modalities of execution including targets and timelines in consultation with the CSR Committee;
- (iv) Timely implementation of the CSR Activities approved by the Board in compliance with the applicable provisions of the Act and CSR Rules;
- (v) Providing periodic reports to the CSR Committee on implementation as well as assessment carried out through field visits and feedback sessions; and
- (vi) Any other assistance as may be required by the Board and the CSR Committee in relation to implementation of the CSR Activities.

V. PROJECTS, PROGRAMS AND ACTIVITIES

Avant Garde Cleanroom & Engg. Solutions Private Limited has identified the following focus areas of intervention to improve the quality of life of the communities:

1. Promoting education, including special education and employment enhancing vocational skills and livelihood enhancement projects.
The company aims to provide essential skills to the unemployed youth to make them employable and contributing citizens of society.
2. Eradicating hunger, poverty & malnutrition, promoting health care including preventive health care & sanitation and making available safe drinking water.
3. Disaster Relief.
Company believes it is important for corporates to stand up for fellow citizens in times of disaster and help the people in relief operations and rebuilding.

4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, conservation of natural resources and maintaining quality of soil, air & water.
Company aims to contribute towards restoring environmental sustainability and ecological balance.
5. Any other activity covered under Schedule VII, within India, excluding activities undertaken in pursuance of normal course of business of a company.
The company may from time to time undertake CSR projects which are covered under Schedule VII to the Companies Act, 2013 as amended from time to time.
6. The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.

VI. CSR EXPENDITURE AND ALLOCATION

1. The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediate three preceding financial years.
2. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company and shall be ploughed back into the CSR activities of the company.
3. The Board shall approve the allocation of the CSR Expenditure on the CSR Activities and, to the extent possible, shall give priority to the local areas wherever Company has its operations.
4. The Company can spend in excess of the requirement as per the act and can set off that amount with 3 succeeding years' CSR liability.
5. Chief Financial Officer or the person responsible for financial management shall certify that funds disbursed on CSR activities have been utilised for the purposes and in the manner as approved by the Board of Directors.
6. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –
 - a. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR 1 Registration Number
 - b. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities
 - c. A public authority

VII. CSR ANNUAL ACTION PLAN

Every year an Annual Action Plan shall be made and it shall include the following:

1. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act,
2. The manner of execution of such projects or programmes,
3. The modalities of utilisation of funds and implementation schedules for the projects or programmes,
4. Monitoring and reporting mechanism for the projects or programmes and

5. Details of need and impact assessment, if any, for the projects undertaken by the company.

VIII. IMPLEMENTATION

1. Baseline survey would be conducted by the implementing agency and annual reviews shall be undertaken to ascertain the progress, wherever required.
2. Company may implement the CSR Activities either on its own or through other qualifying implementing partners as per the Act. The company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the provisions of the Act.
3. The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode through the CSR Cell which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with implementing partner for the purposes of implementation of the CSR Activity, in case the CSR Activity is proposed to be implemented through the third party. The conditions of grant of amounts for all CSR Activities and the break-up of the allocations shall be set out and evaluated from time to time.
4. To the extent feasible, a project based accountability approach to stress on the long term sustainability of CSR Activities shall be adopted, and the indicative action plan and implementation schedule (timelines) for the projects, programs and activities shall be outlined.
5. The criteria for selecting areas where the CSR Activities will be carried will be recommended by CSR Cell and approved by CSR Committee and Board.
7. The Board shall ensure that appropriate designated staff or personnel provides adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit.
8. The CSR Committee shall undertake sufficient due diligence of each of the CSR Activity before it is implemented.

IX. MONITORING AND ASSESSMENT MECHANISM

1. To ensure effective implementation, the progress of each such project, programme and activity will be reported to the CSR Committee on a regular basis, with all requisite documentation.
2. The Company will institute a well-defined monitoring and evaluation mechanism, as per the Act, to ensure that each social project is progressing as per the agreed timelines, has clear objectives developed out of the societal needs, is achieving the desired impact, is efficient and effective and to address the challenges faced (if any).
3. The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/activities undertaken under the CSR Policy shall be evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

4. If deemed necessary by the CSR Committee, the monitoring and evaluation of the CSR Projects may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.

X. REPORTING

1. The Board's report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rules.
2. The CSR Committee shall present updates and monitoring reports to the Board on CSR projects and CSR spend at the end of year or earlier, if needed.
3. The Board will be responsible to ensure that the statutory reporting requirements as may be prescribed from time to time under the Act and the CSR Rules are complied with.

XI. AMENDMENT

The CSR Committee is empowered to amend or modify the CSR Policy and such changes shall be placed before the Board for its approval. The Board may subject to compliance with applicable law, at any time approve or alter, amend or modify the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.

Gaurav Thakral (Director & Chairman CSR Committee)	Net Ram Sharma (Director & Member CSR Committee)	Akash Deep Singhal (Director & Member CSR Committee)
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