

## **Corporate Social Responsibility Policy**

This Corporate Social Responsibility (hereinafter referred to as 'CSR') Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

### **Philosophy**

Corporate Social Responsibility (CSR) was introduced in India to address the concerns of the society to which the organization is indebted. While there may be no single universally accepted definition of CSR, each definition that currently exists indicates the impact that businesses have on society at large and the societal expectations of them. Ace Multi Axes Systems Limited ('AMASL') has always been committed to the cause of social service and has repeatedly channeled a part of its resources and activities such that they positively affect society socially, ethically, and environmentally. Being a good corporate citizen is an integral part of AMASL. With the advent of the Companies Act 2013, the constitution of corporate social responsibility policies became a mandatory requirement. Therefore, AMASL seeks to formulate a robust CSR policy that encompasses its philosophy and guides its sustained efforts to undertake and support socially useful programs for the welfare and sustainable development of society.

### **CSR Policy**

**It is AMASL's policy to direct its CSR programs, inter alia, towards achieving one or more of the following: poverty alleviation; promoting education and skill development; promoting healthcare, including preventive healthcare; providing sanitation and drinking water; ensuring environmental sustainability; enabling climate resilience; rural development projects; creating livelihoods for people, especially those from disadvantaged sections of society; protection of national heritage, art, and culture; preserving and promoting music and sports; and providing relief and assistance to victims of disasters and calamities.**

**In pursuit of the above, AMASL has identified the following focus areas for its CSR programs based on comprehensive need assessment surveys of its stakeholders:**

**Envisage promoting education and skill development through providing facilities required for government schools and providing training for on-the-job skill development of youths.**

**Promoting healthcare, including preventive health, to differently abled and economically backward groups.**

**Build capabilities for tomorrow through interventions in, inter alia, livelihoods for people, especially those from disadvantaged sections of society.**

**Promote providing sanitation and drinking water, ensuring environmental sustainability, conservation of natural resources and maintaining the quality of soil, air, and water.**

### **Implementation**

The company's CSR programs will be implemented through company personnel, or (ii) external implementing agencies, and Section 8 companies as per the Act.

In cases where CSR programs are implemented through external agencies, the programs to be undertaken by those agencies will be specified, and it will be ensured that such programs are covered in the objects laid down in the respective Memorandum and Articles of Association of the external agencies.

### **Governance**

- The CSR Committee or Board will review, monitor, and provide strategic direction to the company's CSR and sustainability practices towards fulfilling its CSR objectives. The committee or board will also guide the company in crafting unique models to support the creation of a better society.
- Every year, the CSR Committee/Board of Directors of the Company (hereinafter referred to as 'the Board'), will set an annual CSR Action Plan (hereinafter referred to as 'the CSR Plan') delineating the CSR Programs to be carried out during the financial year, including the budgets thereof, their manner of execution, implementation schedules, modalities of utilization of funds, and monitoring and reporting mechanisms for the CSR Programs. The Board will consider and approve the CSR Plan with such modifications as may be deemed necessary; the CSR Plan may also be modified by the Board during the financial year on the recommendation of the CSR committee.

The aforesaid report back will also include confirmation from the finance head that the funds disbursed for the CSR programs are being utilized for the stated purpose and in the specified manner.

**CSR Expenditure**

- It will be the company's endeavour to spend, in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR programs in pursuance of this policy.
- The CSR expenditure will include all expenditure, direct and indirect, incurred by the company on CSR programs undertaken in accordance with the CSR Plan.
- Any surplus arising from the CSR programs will be used for CSR activities within six months from the end of the relevant financial year. Accordingly, any income arising from CSR programs will be netted off from the CSR expenditure, and as such, the net amount will be reported as CSR expenditure.

If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years with the approval of the Board, on the recommendation of the CSR Committee or Board, as per the law amended from time to time.

Composition of CSR Committee is as follows:

Name	DIN	Designation	CSR Committee Designation
Mr.Prashanth H R	08660027	Executive Director	Chairman
Mr. Bharat J Vinchi	00559244	Non-Executive Director	Member
Mr. Raghavendra B	01807643	Non-Executive Director	Member
Mr. K. Chandrashekar Sharma	09505130	Independent Director	Member

Amendment to Policy:

The Board reserves the right to amend the Policy based on the recommendations of the Committee as it may deem necessary.