

AVON ISPAT & POWER LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Introduction

The Corporate Social Responsibility (CSR) has been a very important part of our business. The Company strongly believes and contributes, from time to time, in improving the lives of the communities and society at large and in and around our operations with an objective to energize, involve and enable them to realize their potential. This has also enabled us to fulfill our commitment to be a socially responsible corporate organization.

I. Objective

The main objective of CSR policy of Avon Ispat & Power Ltd. is

- To lay down guidelines to make CSR a key business process for sustainable development of the society.
- To directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of local communities and society at large.

II. Our Responsibilities

As a corporate organization, Avon Ispat & Power Limited understand its responsibility towards communities, customers, business partners, employees and reaffirm its commitment to conduct its business in a manner to bring about a positive change in the lives of said communities. They will implement this through holistic, sustainable and integrated development and by providing right product and service solutions to its customers and suppliers to cultivate ethical and fair business practices. Avon Ispat & Power Limited will further honour this commitment by conducting business with environmental accountability and by fostering a work culture with high ethical principles and standards and encourage our employees to perform with total integrity, commitment and ownership.

III. CSR ACTIVITIES

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/programs as permitted under the law, from time to time

Sr. No.	Area	Activities/Initiatives/Programs
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Projects/programs for eradicating hunger, poverty and malnutrition, promoting health care and sanitation and making available safe drinking water, medical camps.
2	Promoting education, including social education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Construction and running of schools and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking and skills and entrepreneurship programs.
3	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	Setting up centres and institutions for welfare of women and senior citizen
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of	Horticulture plantation, agro farm forestry, projects on non conventional energy (biogas), animal husbandry programs, forest conservation projects,

	natural resources and maintaining quality of soil, air and water	water resource management and soil conservation, promoting micro-irrigation etc.
5	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;	Activities/programs for 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
6	Measures for the benefit of armed forces veterans, war widows and their dependents;	Activities/programs for benefit of armed forces and families
7	Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	Projects/programs promoting various sports activities, sports camps/meets local communities and within premises.
8	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;	Contribution to 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
9	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government	Contribution to technology incubators located within academic institutions which are approved by the Central Government
10	Rural development projects	Rural infrastructure projects

		and agriculture development programs and projects
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IV. Exclusion from CSR

The following activity shall not form part of the CSR activities of the Company :-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

V. CSR Committee

The Company has formed CSR Committee as per the applicable laws and the committee is responsible for the implementation/monitoring and review of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical reports to the Board of Directors.

VI. CSR Spend/Sources of Funding

The Committee shall endeavor to spend atleast 2% of the average net profit during the three immediately preceding financial years on CSR activities as enumerated above.

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.

VII. Implementation

Avon Ispat & Power Limited shall carry out its CSR activities through

1. A registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under section 8 of the Companies Act, 2013.
2. Contribution/donation made to such other Organizations/Institutions /funds as may be permitted under the applicable laws from time to time.
3. Directly by the Company for fulfilling its responsibilities towards various stakeholders as permitted under the applicable laws, from time to time.
4. In collaboration with other Companies undertaking projects/programs in CSR activities.

The CSR Committees of respective companies should be in a position to evaluate and report separately the progress of such projects/programs.

5. Any other institutes, NGOs, Government, Semi-government, autonomous bodies, trusts etc. However, any such projects/program to be undertaken through these entities shall have an established track record of 3 years of undertaking such projects/programs.

The time period/duration of each project/programs shall depend on its nature, extend of coverage and intended impact of such activity.

VII. Monitoring & Reporting

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time.

The CSR Committee has the power to :

1. Seek monitoring and implementation report from the Organisations receiving funds.
2. Delegate a designated Company official to co-ordinate with the Organization receiving funds to inspect the activities undertaken and ensure information in a timely manner.

The following processes will be followed :

a) Activities and Budget

The activities and budgets for CSR will be presented in detail to the Committee.

Additionally, the Committee may empower its director/CEO to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the Committee at its next meeting and shall report to the Board accordingly.

b) Continuous Monitoring

- The Committee Members will receive in a prescribed format, a quarterly report of CSR spend;
- A presentation on the progress of the CSR projects/activities will be made to the Committee by the CSR Executives at the Committee meetings held from time to time;
- An annual presentation will be made to the Committee which will also include the details of the projects/activities planned for the next year and its respective budgets.

The Board of Directors of Avon Ispat & Power Limited shall review the implementation of CSR every six months.

VIII. Disclosures

The Annual Report of the Company will include a section on CSR outlining the CSR Policy, CSR Committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.

Harcharan Singh Pahwa

Director