



IS/ISO 9001 - 2000

APM INDUSTRIES LIMITED

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CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREAMBLE

By induction of Section 135 of Companies Act, 2013, the Government of India has given the statutory strength to the concept of Corporate Social Responsibility. However, APM being already aware of its Corporate Social Responsibility much before induction of Section 135 was fulfilling the aspiration of society within the near about areas of its work unit. This has resulted into a harmonious relationship between APM and communities near about. Pursuant to the amendments in Companies (Corporate Social Responsibility Policy) Rules, 2014, this Policy has been amended by the Board of Directors of the Company at its meeting held on 31 May, 2021, on recommendation of CSR Committee and is effective from April 01, 2021.

2. DEFINITIONS AND INTERPRETATIONS

“**Board**” means the Board of Directors of the Company.

“**CSR Activities**” means such programs and projects as may be recommended by the CSR Committee and approved by the Board in terms of the CSR Policy, from time to time. The current programs and projects identified by the CSR Committee are listed in **Annexure-1** to this CSR Policy.

“**CSR Committee**” means the CSR Committee of the Company.

“**CSR Expenditure Budgeted**” means the amount recommended by the CSR Committee and approved by the Board from time to time, to be incurred on the CSR Activities in India in a financial year in terms of Section 135 of the Act and the CSR Rules. CSR expenditure will include all expenditure incurred by the Company on CSR Programmes undertaken in accordance with the approved Annual Action Plan.

“**Annual Action Plan**” will include the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII to the Act, the manner of execution of such projects or programmes, modalities of utilisation of the CSR funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes and details of need and impact assessment for the projects undertaken by the Company. The CSR Committee would recommend the Annual Action Plan to the Board. In case there is any alteration in the Annual Action Plan at any time during the year, the CSR Committee would update such alteration to the Board.

“**Ongoing Projects**” means projects that have a multi-year implementation focus but not having timelines exceeding three years excluding the financial year in which it commences. The Board may also designate some of the existing CSR project as Ongoing Projects and such Ongoing Projects shall be selected, implemented, monitored and reported in accordance with the applicable CSR Provisions.

Any term used but not defined in this CSR Policy shall have the meaning assigned to it under the Act or the CSR Rules.

3. TITLE AND SCOPE

This Policy:

- (a) shall be called the "Corporate Social Responsibility Policy" or "CSR Policy" of the Company which is developed and implemented in accordance with the provisions of Section 135 of the Act read with the CSR Rules framed thereunder.
- (b) shall be applicable to all CSR Activities taken up by the Company at various locations in India for the benefit of different segment of the society at large, specifically the deprived and underprivileged segment.
- (c) outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare of the community around the area of its operations and other parts of the country.

4. VISION AND MISSION

Vision

To follow global progression in the concept of Corporate Social Responsibility and its implementations by way of being beneficial to our society. Ensuring Corporate Social Responsibility is adopted through principled implementations that contribute to our country's social, cultural, and environmental development and help in developing the awareness on these issues.

Mission

To work on the popularity, adoption, and implementation of the concept of Corporate Social Responsibility while adding measurable values to the community and to our corporation along with managing related processes to the advantage of all concerned in a way that becomes model for other corporations for replication, to further expanding the scope.

5. GUIDING PRINCIPLES

Our CSR is to have respect for all stakeholder, devotion to work ethics, honesty in the flow of information and Continued relations based on customer satisfaction.

The CSR Activities may relate to one or more activities listed in Schedule VII to the Act. This is subject to amendment of the Act and/or Rules from time to time.

The CSR Activities to be undertaken by the Company during each financial year along with the particulars of projects, planned expenditure and implementation schedule are outlined in Annexure-1 to this CSR Policy.

6. IMPLEMENTATION APPROACH AND MODALITIES

Focus area of CSR activities

The Company shall undertake such CSR activities as recommended by the CSR Committee and approved by the Board from time to time pursuant to Schedule VII and Section 135 of the Act read with CSR Rules framed thereunder. The Company shall implement the CSR Activities stipulated in Annexure I to this CSR Policy. The said annexure shall be re-drawn every financial year in relation to the CSR Activities proposed to be undertaken in that financial year.

Mode of Implementation

The CSR Activities shall be executed through one or more of the following modes:

(a) directly by the Company; and/or

(b) Company established under section 8 of the Act or a registered public trust or a registered society registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the Company either singly or along with any other company; and/or

(c) Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State government or any entity established under an Act of Parliament or State legislature; and/or

(d) Company established under section 8 of the Act or a registered public trust or a registered society registered under section 12A and 80G of the Income Tax Act, 1961, other than those specified above, and having an established track record of at least three years in undertaking similar activities, programs or projects.

Further, based on the review of the CSR Committee, the Board may amend Annexure I to the CSR Policy on an annual basis at the end of each financial year.

Location of CSR activities / projects

The CSR Activities, whether undertaken by the Company itself or through an implementing agency, shall be carried out in and around the areas of the Company's manufacturing locations/office.

However, the CSR Committee may identify other areas for CSR Activities, from time to time and obtain necessary approval from the Board.

Programme Duration

The time period of implementation of the programme will depend on its nature, extent of coverage and the impact of the programme. Based on the tenure of the identified projects, they will be qualified as:

(i) Short Term - upto 1 year

(ii) Long term / Ongoing Project

CSR EXPENDITURE BUDGETED

(a) In the beginning of every financial year, the CSR Committee shall determine whether the provisions of Section 135 of the Act for mandatory CSR spend are applicable to the Company and accordingly, determine the CSR Expenditure Budgeted for the financial year and recommend the same for Board approval.

(b) CSR Expenditure Budgeted shall include all expenditure including contribution to corpus or on projects relating to the CSR Activities. The Company shall allocate the following as its annual CSR Expenditure Budgeted:

(i) 2% of its average net profits made during the three immediately preceding financial years, as prescribed under the Act and the CSR Rules from time to time;

(ii) Any income arising there from;

(iii) Surplus arising out of CSR Activities; and

(iv) Such other amount as may be determined by the Company from time to time

(c) Any surplus arising out of CSR Activities shall not form part of the business profits of the Company and the same shall be spent on CSR activities.

(d) Likewise, any excess amount spent on CSR activities may be set off against CSR expenditure to be incurred in the succeeding financial years in accordance with the applicable CSR Provisions.

(e) Unspent amount, if any, on the CSR Activities shall be dealt with in accordance with the provisions of Section 135 of the Act and CSR Rules framed thereunder.

MONITORING AND REPORTING

(a) The CSR Committee shall monitor all CSR Activities, including utilization of funds to ensure their effective implementation in accordance with the CSR Rules read with Section 135 of the Act.

(b) Broadly, the following procedure will be adopted by the CSR Committee for implementing and monitoring the CSR Activities:

(i) The CSR Annual Action Plan

(ii) The list of CSR activities that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act,

(iii) the modalities of utilisation of funds and implementation schedules for CSR activities,

(d) The minutes of the meetings of the CSR Committee shall be placed before the Board.

(e) The CSR Committee may be directed by the Board to present the cost incurred on CSR Activities annually.

DISCLOSURE/REPORTING

The CSR Policy shall be displayed on the Company's website at www.apmindustries.co.in.

An Annual Report on the Corporate Social Responsibility shall form part of the Board's Report.

REVIEW / AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy, on recommendation of the CSR Committee and in accordance with the Act and the CSR Rules.

In case any provision(s) of this policy is contrary to or inconsistent with the provisions of the Act, Rules framed thereunder and CSR Rules etc. ("Statutory Provisions"), the Statutory Provisions shall prevail. Further, amendments in the Statutory Provisions shall be binding even if not incorporated in this Policy.

CSR ANNUAL ACTION PLAN 2022-23*

S. No.	CSR Activities	Category under Schedule VII	Implementation Modality
Promotion of Health Care including preventive Health Care			
1.	Charitable Dispensary	(i)	Ram Lal Rajgarhia Memorial Trust
2.	Health Safety	(i)	Rotary Delhi Central Charitable Trust
3.	Health	(i)	Direct
Promotion of Education			
1.	Infra Support	(ii)	Direct
2.	School Uniform	(ii)	Servants of People Society
Animal Welfare			
1.	Chara to Gaushala	(iv)	Direct

*altered by the Board of Directors of the Company at its meeting held on November 14, 2022.

Since the overall limit of CSR expenditure is less than Rs. 10 Crore, Impact Assessment by an external agency is not applicable. The Company shall conduct internal assessment of the CSR Projects to understand the impact / SROI (Social Return on investment).

CSR ACTIVITIES AND BUDGET FOR FINANCIAL YEAR 2022-2023*

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount Budget for the project (Rs. in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	School Uniform	Promotion of Education	No	Delhi	Delhi	0.45	No	Servants of People Society	CSR00011109
2	Charitable Dispensary	Promotion of Health Care including Preventive Health Care	Yes	Rajasthan	Alwar	6.00	No	Ram Lal Rajgarhia Memorial Trust	CSR 00002415
3	Infra Support	Promotion of Education	Yes	Rajasthan	Alwar	13.00	Yes	Direct	-
4	Health Safety	Promotion of Health Care including Preventive Health Care	No	Delhi	Delhi	4.95	No	Rotary Delhi Central Charitable Trust	CSR00013382
5	Chara to Gaushala	Animal welfare	Yes	Rajasthan	Alwar/ Churu	2.12	Yes	Direct	-
6	Health	Promotion of Health Care including Preventive Health Care	Yes	Delhi	Delhi	0.58	Yes	Direct	-
	Total					27.10			

*altered by the Board of Directors of the Company at its meeting held on November 14, 2022.