

**ASTRA MICROWAVE PRODUCTS LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY  
POLICY**

## Introduction

This Corporate Social Responsibility Policy shall be called the Astra Microwave Products Limited - Corporate Social Responsibility Policy, (hereinafter referred as the "CSR Policy").

This policy shall be read in line with the provisions of section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars and notifications as may be applicable and as amended from time to time.

## Effective Date:

This policy shall be effective from the financial year beginning 1<sup>st</sup> April, 2014.

## Definitions:

- (a) "Act" means the Companies Act, 2013.
- (b) "Board" means Board of Directors of the Company.
- (c) "Committee" means Corporate Social Responsibility Committee of the Company as constituted or reconstituted by the Board.
- (d) "Company" means Astra Microwave Products Limited.

## Constitution of the Corporate Social Responsibility Committee (CSR Committee):

The Company shall constitute a committee of directors named as CSR committee with at least three directors out of which at least one director shall be an Independent Director.

The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

The Corporate Social Responsibility Committee has been constituted at the Meeting of the Board of Directors held on 31<sup>st</sup> January, 2015 in accordance with the provisions of section 135 of the Companies Act, 2013.

The duties, functions and scope of the Committee:

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or subject as specified in Schedule VII of the Act read along with the rules made thereunder.





- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and
- c) monitor the Corporate Social Responsibility Policy of the company from time to time.

### **Purpose of the Policy:**

The following are the broad purposes of this policy:

- To define the kind of projects/activities that will come under the ambit of CSR;
- To identify broad areas of activities in which the company will undertake projects;
- To execute and monitor CSR projects and to identify partners, if required for implementation of the CSR activities.

### **Objectives:**

#### **Activities for social inclusive development**

The Company shall undertake activities for economic and social development of communities, particularly in the vicinity of the areas where the facilities of the Company are located. Such activities may include:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and 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 centers 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;
- 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;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;





- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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 to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government.
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO), Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Rural development projects.
- Slum Area Development Projects.
- Disaster Management, including relief, rehabilitation and reconstruction activities.

The following activities and the amount, if any spent, shall not be considered as CSR activities and shall not be included in computing the CSR expenditure.

- i. One-off events such as marathons/awards/charitable contribution/advertisement/sponsorships of TV programmes etc., would not be qualified as part of CSR expenditure.
- ii. Expenses incurred for the fulfillment of any Act/Statue of regulations (such as Labour Laws, Land and Acquisition Act etc.) applicable to the Company would not count as CSR expenditure under the Companies Act.
- iii. All activities undertaken in pursuance of normal course of business.
- iv. All activities or programmes undertaken to benefit only the employees of the company and their families.





v. Contribution of any amount directly or indirectly to any political party under section 182 of the Act.

vi. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at International level.

vii. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.

The CSR Committee shall be authorised to consider CSR activities within the CSR Rules framed by the Ministry of Corporate Affairs not falling in the above list. All activities under the CSR activities should be environment friendly and should be in the interest of the society and the local population where the Company's units are situated. Any activity proposed to be undertaken as a CSR initiative, but not outlined in this Policy, may be undertaken only with the specific pre-approval from the CSR Committee.

#### **Information dissemination:**

The Company's CSR activities, Composition of CSR Committee, CSR Policy shall be placed on website of the Company.

#### **Corporate Social Responsibility Committee (CSR Committee):**

The Committee shall be fully responsible for the monitoring and review of the implementation of this policy as per guidelines laid down from time to time. The Corporate Social Responsibility Committee shall provide recommendations as and when it deems necessary to the Board so as to amend/modify/revise the CSR policy to be consistent with the needs of the Company and applicable statutory requirement.

#### **Source of Fund:**

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programmes, the Company shall endeavor to allocate the following as its annual CSR corpus.

i. 2% of average net profits made during the three immediately preceding financial years as prescribed under the Companies Act, 2013, and the Rules.

ii. Any income arising therefrom and

iii. Surplus arising out of CSR activities

It is clarified that surplus arising out of CSR projects/programs shall not form part of business profits of the Company and shall be ploughed back into the same project or transfer to unspent CSR account and be spent within a period of 6 months of the expiry of year.





### **Mode of implementation:**

CSR programs, project or activities, will be implemented through one or more of the following methods:

- a. Directly by the Company.
- b. In collaboration with other organizations, if such organisation falls under the Rule 4 of the Companies (CSR Policy) Amendment Rules, 2021.
- c. a 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, established by the company, either singly or along with any other company.
- d. a 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
- e. any entity established under an Act of Parliament or a State legislature; or
- f. a 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 and having an established track record of at least three years in undertaking similar activities.

All entities who intends to undertake any CSR Activity, shall register itself with the Central Government by filing Form CSR – 1 with the Registrar of Companies and obtain a unique CSR Registration number.

### **Spending limits:**

All the expenditure relating to CSR shall be pre-approved by the CSR Committee. The Managing Director, Joint Managing Director and CFO shall jointly monitor the utilization of funds for the purposes set forth.

The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

If the Company fails to spend amount as per Section 135(5) of the Companies Act, 2013, the board shall, specify the reasons for not spending the amount in the Directors Report.

If the Company spends an amount in excess of the requirements provided under Section 135(5) of the Companies Act, 2013, the Company may set off such excess amount against the requirement to spend up to immediately succeeding 3 financial years and in such manner, as may be prescribed.





## **CSR Reporting:**

If Company's average CSR obligations is 10 crore rupees or more in the 3 immediately preceding FYs, shall undertake impact assessment, through an independent agency, of the CSR projects having outlays of 1 crore rupees or more, completed a year ago.

Impact assessment reports be placed before Board and annexed to the annual report on CSR.

## **Transfer of unspent CSR amount:**

Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a fund specified in Schedule VII of the Act for this purpose, within a period of six months of the expiry of the relevant financial year (or such other period as may be prescribed under the Act and the rules made thereunder).

In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the Company for that financial year in any schedule bank to be called as 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the fund as specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year (or such other period as may be prescribed under the Act and the rules made thereunder).

## **Upkeep and Maintenance of assets created:**

Maintenance of assets created under CSR would be the responsibility of the Company. Before any Capital investment is made, an undertaking would be taken from the representative of local community that they would be responsible for maintenance of the assets and the disposal of such assets shall not be made without the prior approval of the CSR Committee.

## **Documentation of CSR Activities:**

It shall be the duty of the Company to keep all documents pertaining to the activities undertaken under CSR policy and submit the annual report to the CSR committee. The CSR activities will be reflected in the Annual Report and Accounts of the Company under (CSR). Revised format for the Annual Report on CSR activities to be included in Board's Report for FY 2020-21 onwards.

## **Amendments:**

The Board of Directors on its own and / or as per the recommendations of the CSR Committee may amend this Policy as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc., on the subject as may be issued by relevant statutory authorities, from time to time.



In case of any amendment(s), clarification(s), circular(s) etc., issued by the relevant authorities, which make the provisions laid down under this Policy inconsistent with such amendment(s), clarification(s), circular(s) etc., then such amendment(s), clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.,

