AIR MECH

AIR MECH ENGINEERS PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

CIN: U15311UP1996PTC020587

Registered Office: B-1/63, Sector 'P', Aliganj, Lucknow, Uttar Pradesh – 226024

Effective Date: 29/04/2019

1. PREAMBLE

Air Mech Engineers Private Limited (hereinafter referred to as "the Company") recognises the importance of contributing to society and promoting sustainable development through responsible business practices.

This Corporate Social Responsibility Policy ("CSR Policy") has been formulated in accordance with Section 135 of the Companies Act, 2013, Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are:

1. To contribute to the social and economic development of society.
2. To promote education, healthcare, sanitation and access to safe drinking water.
3. To support environmental protection and sustainable development.
4. To promote the welfare of underprivileged and disadvantaged communities.
5. To encourage rural development and livelihood enhancement.
6. To ensure transparency and accountability in the implementation of CSR activities.

3. CSR GOVERNANCE AND RESPONSIBILITY OF THE BOARD

The Company shall comply with the applicable provisions of Section 135 of the Companies Act, 2013.

Where the amount required to be spent by the Company on CSR does not exceed ₹50 lakh, the requirement to constitute a CSR Committee shall not apply, in accordance with Section 135(9) of the Companies Act, 2013, subject to the applicable rules. In such circumstances, the Board of Directors shall discharge the functions otherwise assigned to the CSR Committee.

The Board of Directors shall be responsible for:

1. Approving the CSR Policy.
2. Identifying and approving eligible CSR projects and programmes.
3. Determining the CSR expenditure to be incurred, wherever applicable.
4. Monitoring the implementation of CSR activities.
5. Ensuring proper utilisation of CSR funds.
6. Reviewing the progress and outcomes of CSR projects.

7. Ensuring compliance with applicable statutory requirements and disclosure obligations.

4. AREAS OF CSR ACTIVITIES

The Company may undertake CSR activities in the areas specified in Schedule VII of the Companies Act, 2013, including the following:

4.1 Promotion of Education

- Promoting education, including special education.
- Providing educational assistance to economically weaker sections.
- Supporting educational institutions and educational infrastructure.
- Promoting vocational skills and employment-enhancing skills.

4.2 Healthcare and Sanitation

- Promoting preventive healthcare and sanitation.
- Supporting medical camps and healthcare facilities.
- Providing safe drinking water and sanitation facilities.
- Supporting healthcare programmes for disadvantaged communities.

4.3 Environmental Sustainability

- Protecting the environment and maintaining ecological balance.
- Promoting afforestation and tree plantation.
- Conserving natural resources.
- Supporting water conservation and waste management.
- Promoting renewable energy and environmental awareness.

4.4 Eradicating Hunger and Poverty

- Supporting hunger relief and food distribution programmes.
- Providing assistance to economically weaker sections.
- Supporting eligible poverty alleviation and livelihood enhancement programmes.

4.5 Rural Development

- Supporting rural development projects.
- Improving access to basic community facilities.
- Promoting sustainable rural livelihoods.

4.6 Women Empowerment and Social Welfare

- Promoting gender equality and women empowerment.
- Supporting eligible welfare programmes for women, children and senior citizens.
- Supporting persons with disabilities and other disadvantaged groups.

4.7 Other Eligible Activities

The Company may undertake any other activity covered under Schedule VII of the Companies Act, 2013, as amended from time to time.

5. IMPLEMENTATION OF CSR ACTIVITIES

The Company may implement approved CSR activities:

1. Directly through the Company.
2. Through eligible registered public trusts, registered societies or Section 8 companies.
3. Through other implementing agencies permitted under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company shall ensure that implementing agencies satisfy the applicable eligibility and registration requirements, including registration under Form CSR-1 wherever required.

CSR projects shall be implemented in accordance with the approved objectives, budget, timelines and applicable statutory requirements.

6. CSR EXPENDITURE

Where CSR provisions are applicable, the Company shall spend at least two per cent of the average net profits calculated in accordance with Section 198 of the Companies Act, 2013, during the three immediately preceding financial years, or such shorter period as prescribed for newly incorporated companies.

The Company shall give preference to the local areas and areas around which it operates, while selecting CSR projects.

CSR expenditure shall be restricted to activities permitted under Section 135, Schedule VII and the applicable CSR Rules.

Administrative overheads, surplus arising from CSR activities, capital assets created through CSR expenditure and other related expenditure shall be dealt with in accordance with the applicable provisions of law.

7. MONITORING AND EVALUATION

The Board of Directors shall monitor the implementation of CSR projects and programmes.

The Company shall maintain appropriate records and supporting documents relating to:

1. CSR projects and programmes approved by the Board.
2. CSR expenditure incurred.
3. Payments made to implementing agencies.
4. Utilisation certificates and project progress reports, wherever applicable.
5. Outcomes and benefits arising from CSR activities.

The Board shall satisfy itself that the funds disbursed have been utilised for the purposes and in the manner approved by it.

8. UNSPENT CSR AMOUNT

Where the Company is required to incur CSR expenditure but fails to spend the prescribed amount, the Board shall disclose the reasons for the unspent amount in its report and comply with the applicable provisions of Section 135 of the Companies Act, 2013.

In the case of ongoing projects, unspent amounts shall be transferred to the Unspent Corporate Social Responsibility Account within the prescribed period and dealt with in accordance with Section 135(6).

In other cases, the unspent amount shall be transferred to a fund specified in Schedule VII within the prescribed period, as applicable.

9. EXCLUSIONS FROM CSR ACTIVITIES

The following activities shall not be treated as CSR activities to the extent excluded under applicable law:

1. Activities undertaken in the normal course of the Company's business.
2. Activities undertaken exclusively for the benefit of the Company's employees and their families.
3. Contributions made directly or indirectly to political parties.
4. Sponsorship activities undertaken to derive marketing benefits for the Company's products or services.
5. Activities undertaken to fulfil statutory obligations under applicable laws.
6. Activities carried out outside India, except where specifically permitted under the applicable CSR Rules.

10. DISCLOSURE AND REPORTING

The Company shall make the disclosures required under the Companies Act, 2013 and the applicable CSR Rules.

Where applicable, details of the CSR Policy, approved projects, expenditure incurred and other prescribed information shall be included in the Board's Report and disclosed on the Company's website, if any, in accordance with applicable law.

The Company shall also comply with applicable annual CSR reporting and filing requirements.

11. AMENDMENT TO THE POLICY

The Board of Directors may amend, modify or revise this Policy from time to time to ensure compliance with amendments to the Companies Act, 2013, Schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Any amendment shall take effect from the date of approval by the Board or such other date as specified in the Board resolution.

12. APPROVAL AND ADOPTION

This Corporate Social Responsibility Policy was approved and adopted by the Board of Directors of Air Mech Engineers Private Limited at its meeting held on **[Date]**.

For **AIR MECH ENGINEERS PRIVATE LIMITED**

Mukesh Kumar Tulsiani
Director
DIN: 00283788

Date: 29/04/2019
Place: Bangalore