

CORPORATE SOCIAL RESPONSIBILITY POLICY



ALP AEROFLEX INDIA PRIVATE LIMITED

{This policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of ALP Aeroflex India Private Limited and provisions of Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2013. This policy will at all times be subject to the provisions of the aforesaid act and rules (as amended from time to time). This Policy will come into force with immediate effect.}

OVERVIEW AND CSR PHILOSOPHY

ALP Aeroflex India Private Limited (“AAIPL” or “Company”) believes in a philosophy of adopting sustainable business practices which are beneficial to the various stakeholders including the society. Through its corporate values, AAIPL constantly endeavors to actively contribute to the social and economic development of the communities in which it operates.

AAIPL has always believed in giving back to the society and recognized its role and responsibility as a corporate citizen. AAIPL has social values ingrained into its culture and manner of working.

To further the Company’s CSR philosophy, a formal policy on CSR is being formulated to align its practices with requirements of Companies Act, 2013 and rules made there under.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

AAIPL may undertake various CSR projects, programs and activities from time to time. Such projects, programs and activities will be undertaken keeping in mind the CSR philosophy of the Company and in alignment with the permissible activities under the Companies Act, 2013 and rules framed under (as amended from time to time). It shall be at the discretion of the Company to undertake, modify, implement and cancel CSR projects, programs and activities from time to time as it deems fit.

Without prejudice to the generality of the aforesaid, AAIPL may from time to time undertake any project, program and activity on one or more of the following areas:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- Promoting awareness of preventive health care through various activities including organizing campaigns, awareness sessions, events, marathons, etc. with reference to various ailments such as diabetes, hypertension, cardiac, etc.
- Promoting education, including special education through various activities including organizing schools development projects/programs, by organizing special sessions in schools, etc.,
- Promoting education through various activities including providing support to educational institutions centres for non-formal education, tent school programs, schools at various sites like construction sites, etc.
- Employment enhancing vocation skills especially among children and women through various activities including child care centres, anganwadi programs, livelihood enhancement projects, vocational training programs, etc.,
- Empowering women through various activities including child care centres, anganwadi program, etc.,

- Contributions 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
- Rural development projects;
- Any other projects, programs and activities falling within the permissible activities prescribed under Companies Act, 2013, rules made /circular/notification/guidelines/clarification issued there under.

The Company focuses its philanthropy primarily in geographic regions of India where the Company has a business presence. However, the Company may contribute to causes in other parts of India, if the CSR Committee is of the opinion that such contribution is appropriate.

MODE OF CARRYING OUT CSR ACTIVITIES

AAIPL may carry out the CSR activities either on its own, or through a registered trust or registered society or through one or more of the modes in such manner as may be deemed fit by CSR Committee.

AAIPL may also collaborate with other companies for undertaking projects, programs and activities in such manner as may be deemed fit by CSR Committee.

CSR COMMITTEE

The Board of Directors of the Company shall constitute a committee called the “Corporate Social Responsibility Committee” (“CSR Committee”) in accordance with the provisions of Companies Act, 2013 and rules made there under. The CSR Committee will consist of 3 or more directors or such other number of directors as the Board of Directors of the Company may determine from time to time. The Board of Directors may change the composition of the CSR Committee from time to time in such manner as it thinks fit. Subject to provisions of Companies Act, 2013 and rules made there under, the CSR Committee may meet at such intervals, in such manner and may carry out matters in such manner and function generally as per such guidelines as it deems fit. The CSR Committee shall have, inter alia, the following roles, powers and responsibility:

- a) Formulate and recommend the CSR Policy and any amendments therein to the Board of Directors of the Company
- b) Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities
- c) Determine modalities of execution of such CSR projects, programs and activities
- d) Undertake all necessary steps to implement the CSR activities
- e) Authorise and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors

- f) Monitor the CSR activities in such manner as it deems fit
- g) Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company
- h) To perform such functions as may be entrusted by the Board of Directors from time to time.

DECISIONS BY THE CSR COMMITTEE

- 1) The CSR Committee shall at all times act in a manner that is consistent with the provisions contained in this CSR Policy, the Act and CSR Rules.
- 2) The CSR Committee shall endeavor to arrive at all decisions by a consensus of all Members. However, in the event the CSR Committee is unable to arrive at such a consensus, the Chairman of the Committee may make the final decision

MEETING OF THE CSR COMMITTEES

- 1) The CSR Committee shall meet as frequently as it determines necessary but at least twice annually.
- 2) The CSR Committee shall maintain minutes of each of its meetings.
- 3) The CSR Committee shall review proposed projects and make recommendations to the Board for approval of such projects and allocation of Funding in accordance with the CSR Committee charter.
- 4) The final decision with regards to the acceptance or rejection of a CSR Proposal shall be with the Board.

CSR SPENDING

The Company may, in every financial year, spend such amounts on its CSR activities as the CSR Committee may authorise from time to time subject to the limits as approved by the Board of Directors which shall comprise of the following:

- a) 2% (two percent) of the average Net Profits of The Company for the last 3 (three) financial years;
- b) any income arising from the CSR Commitment; and
- c) surplus arising out of CSR activities, if any, up to 5% (five percent) of the CSR Commitment may be spent towards administrative costs, personnel costs and other CSR costs.

Any surplus arising out of CSR projects, programs and activities shall not form part of the business profits of the Company.

MONITORING PROCESS

CSR Committee shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. CSR Committee shall also determine the manner of submission of information, reports, files, etc. by third parties as a part of the monitoring process. CSR Committee shall ensure that a transparent monitoring mechanism is put in place.

REPORTING MECHANISM

The Company shall publish its annual report on CSR Activities in its Directors Report in the manner prescribed under the Companies Act 2013 and the CSR Rules. This policy will also be available on the Company's website.

(Without prejudice to the generality of the contents of this policy, the Company may undertake CSR projects, programs and activities as permitted under the framework of Companies Act, 2013 from time to time (including any amendments, clarifications, circulars, notifications or other official communications from time to time). The Company may also carry out the purposes of this CSR policy in accordance with any amended position of law from time to time notwithstanding that such amended position is not reflected in this policy.)