

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)

Table of contents

1.	Introduction and Background	2
2.	Objectives of the Policy	2
3.	Applicability	2
4.	CSR Vision, Focus Areas and Strategy	3
5.	Composition of CSR Committee	5
6.	Responsibility Towards CSR	6
7.	CSR Budget, Implementation and Reporting	6
8.	Treatment of Unspent and Excess CSR amount	7
9.	Identification and Implementation of CSR Projects	8
10.	Selection criteria for other NGOs	9
11.	Monitoring and review mechanism	9
12.	Undertaking Impact Assessment	9
13.	Display of CSR activities on its website	10
14.	Management Commitment	10

Introduction and background

Accolade Electronics Private Limited ("The Company") is a Private Limited Company incorporated on 3rd September 2003 with Registrar of Companies, Pune vide registration number U31200PN2003PTC018307. Further the Company is engaged in designing, manufacturing, supplying, installing Control Systems, Control Solutions, Software and/or Hardware Solutions, Electronic Controllers, Instrument for Industrial Automations, Office Automations, Medical Applications, Data Control Systems, Digital Communication Systems.

Objective of the Policy

The objectives of this policy are to –

- Specify and accordingly undertake activities as specified in Schedule VII of the Companies Act, 2013 and the expenditure thereon.
- Clarify and establish Vision, Strategy and Focus Areas of the Company in respect of Corporate Social Responsibility.
- Establish the governance mechanism and process – how the CSR budget and activities shall be approved, monitored and reported to the Board of Directors and other stakeholders.

Applicability

1. The Company's CSR policy has been developed keeping in view the provisions of Section 135 of the Companies Act, 2013 (the Act) and the Companies (CSR Policy) Rules, 2014 (CSR Rules) along with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs, Government of India.
2. The Policy shall apply to all CSR projects / programmes undertaken by the Company in India as per provisions contained in Schedule VII of the Act.
3. This policy shall be applicable to the Company until further modified and approved by the Board of Directors of Accolade Electronics Private Limited.
4. All the Directors, Key Management Personnel, Officers and Employees of the Company shall strive for implementing CSR policy recommended by the Board and adopted by the Company.

CSR Vision, Focus Areas and Strategy

Vision:

The Company desires to make enduring contributions to social development as a valued and trusted member of society by enriching people's life and making social contributions and to ensure economic growth with ecological and social responsibility.

Focus Areas:

CSR projects / activities must be undertaken, in India only and as far as possible, in the periphery where Company carries out its operations and other commercial activities.

The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities. But if such employees or family members employees are a minuscule part, then such projects, programmes or activities can be carried out as CSR activities.

With primary philosophy of the Company, read with provisions of Section 135 of the Companies Act, 2013 & rules framed there under and Schedule VII, following will be the thrust areas in respect of CSR activity, but will not be restricted to the following activities and CSR Activities will be carried out in areas mentioned under Schedule VII of the Companies Act, 2013:

Education: Access to quality education, training and skill enhancement

Health: Affordable solutions for healthcare through improved access, awareness and health seeking behaviour

Women Empowerment: Creating education and employment opportunities for women

Environment: Environmental sustainability, ecological balance, conservation of natural resources

Sanitation and provide the facilities for safe drinking water

Disaster Management: Managing and responding to disaster

Promotion of Art and culture, Sport

Strategy:

1. Education:

To work on several educational initiatives to provide quality education, training, skill enhancement for improving the quality of living and livelihood. Initiatives are aimed at:

- a) Promoting primary and secondary education

- b) Setting up schools or improving existing schools / anganwadis with better facilities
- c) Adoption of Government Schools.
- d) Organising programmes like distribution of educational kits and school uniforms to students of nearby Government Schools.
- e) Promoting education, in rural areas in the state of Maharashtra.
- f) Skill development and vocational training

2. Health:

To address issues around affordability and accessibility of quality healthcare and bring about improvement in awareness and health seeking behaviour in various parts of India, enabling a better living, through initiatives such as:

- a) Organizing health check-up camps.
- b) Organizing preventive health care awareness programmes.
- c) Organizing family planning programmes.
- d) Financial support for medical equipment to government hospitals and support in various health care programmes of Government.
- e) Financial assistance to Government health centres in surrounding villages and to upkeep and maintain the health centres.
- f) Funding medical facilities and equipments to hospitals, etc.

3. Women Empowerment:

To allow the women to claim their rightful place and position in the society by providing various opportunities in following activities:

- a) Providing financial support to schools providing education to girls.
- b) Participation in various activities for vocational skill enhancement of women.
- c) Financial assistance for homes, hostels, day care centres and old-age homes for women and orphans.
- d) Forming and supporting various self-help group and their linkages with various income generation activities.

4. Environment:

To ensure environmental sustainability, ecological balance by carrying out the following activities:

- a) Developing green belt of trees, shrubs and herbs and several lawns around the township, mining and plant areas and nearby schools.
- b) Constructing rain water harvesting structures.
- c) Ecological sustainability
- d) Conservation of natural resources

5. Sanitation and making available safe drinking water:

To improve the cleanliness and endeavours to continue with providing proper sanitation facilities by way of following activities:

- a) Educating people by organizing visits and awareness programmes on the waste management and collection

- b) Construction and renovation of Toilets in government schools and Anganwadis of nearby villages.
- c) Establish water coolers in schools/ anganwadis for making available safe drinking water.
- d) Organizing awareness programs on Swachha Bharat Abhiyan

6. Disaster Management:

To strengthen efforts in the area of Disaster Response towards establishing the Company as one of the leading organizations with the capacity to respond in a timely and impactful manner in the affected areas. Key initiatives include:

- a) Providing financial support for disaster management and relief
- b) Building capacities of local communities to respond to disasters
- c) Developing expertise and resources to respond to disaster

7. Art and Culture, Sport:

To promote the arts and culture sector and develop a business focused industry that delivers diverse cultural activity, bringing communities and consumers together for great cultural experiences. Also, to encourage the sports activities by improving the physical, social, mental and wellbeing of people of the society.

8. Other Activities:

To undertake initiatives in compliance with Schedule VII of the Companies Act, 2013.

Composition of CSR Committee

According to Section 135 of the Companies Act, 2013, every Company having a Net Worth of Rs. 500 Crores or Turnover of Rs. 1000 Crores or a Net Profit of Rs. 5 Crores or more during immediately preceding Financial Year shall constitute Corporate Social Responsibility Committee (CSR) consisting of two or more Directors.

However, as per the Companies (Corporate Social Responsibility) Amendment Rules, 2022, Company need not constitute CSR Committee if the amount to be spent in particular Financial Year does not exceed 50 Lakhs. Accordingly, the Board will take the cognizance and act upon the decisions made in respect of CSR Activities and will be responsible for the functions of such Committee.

CSR Committee will be formed when (i) CSR Spending for a particular FY exceeds Rupees 50 Lakhs of the Company or (ii) the Company has Unspent CSR Liability for a particular Financial Year.

In case of Accolade Electronics Private Limited CSR liability does not exceeds Rs. 50 Lakhs in near future or Company does not have an Unspent CSR Liability, CSR Committee will not be constituted.

Responsibilities towards CSR

1. The Board of Accolade Electronics Private Limited will be responsible for:
 - a) Formulating the CSR policy in compliance to Section 135 of the Companies Act 2013
 - b) Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
 - c) Approving the CSR expenditure to be incurred.
 - d) Approving modifications to the CSR policy as and when required.
 - e) Regularly monitoring the implementation of the CSR policy and CSR Activities.
 - f) Formulation of Action Plan of CSR policy which shall include:
 - the list of CSR projects or programmes
 - the manner of execution of such projects or programmes
 - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes;
 - details of need and impact assessment, if any, for the projects undertaken by the company
 - g) Opening of Unspent Corporate Social Responsibility Account
 - h) Setting off excess amount against CSR liability of previous year.
 - i) Defining the projects as per their characteristics, nature and time involvement as On-going projects.

Meaning of Ongoing Projects-

'Ongoing Projects' as defined under the Rules means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

CSR Budget, Implementation and Reporting

1. The Company's CSR programmes will be in line with the Board's approved CSR policy.
2. The Board of Directors shall prepare a budget and projects during the Financial Year.
3. The budget of the CSR activities shall be presented by the Board of Directors of the Company.
4. The budget should consider following points-
 - Name of the project
 - Project description in detail

- Define Ongoing Projects if any
 - Description of socio / economic and environmental benefits may get derived from the project
 - The community / group of people going to get benefitted and their probable numbers
 - Estimated expenses
 - Any follow up needed
5. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a Company.
 6. CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
 7. The administrative expenditure incurred except for designing, implementation, monitoring and evaluation of a particular CSR project or programme shall not exceed 5% of total CSR expenditure of the Company for the Financial Year.
 8. The Board's Report of a Company covered under these rules pertaining to a Financial Year commencing on or after the 1st day of April shall include an annual report on CSR containing particulars as per the prescribed format under the Act/ Rules.

Treatment of Unspent and Excess CSR amount

1. Unspent CSR Amount-

- a) Any unspent CSR amount, unless the unspent amount relates to any ongoing project, to be transferred to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the Financial Year.
- b) Any amount remaining unspent pursuant to any ongoing project, shall be transferred by the Company within a period of 30 days from the end of the financial year to a special account in that behalf for that Financial Year in a scheduled bank. The Company to spend the said amount towards its CSR obligation within a period of 3 financial years from the date of such transfer, failing which, the Company to transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.
- c) Other provisions as per Act/ Rules for treatment of unspent CSR amount shall be applicable.

2. Excess CSR Expenditure-

In case the Company spends an amount in excess of the requirement of spending the prescribed CSR amount as per Act, in the previous year, such excess amount may be set off against the requirement to spending of prescribed CSR amount up to immediate succeeding 3 financial years subject to the conditions as mentioned under the Rules.

Identification and Implementation of CSR Projects

1. All the projects / programmes, listed above, must be identified in a participatory manner, in consultation with the local community.
2. Subsequently, based on a consensus and in discussion with the local community and other participants, projects shall be finalized. Arising from this discussion, the focus areas that have emerged are Education, Health, Women Empowerment, Environment, Sanitation, making available safe drinking water, disaster management and promotion of art and culture and sport.
3. In future CSR projects / programmes will be selected, finalized based on following criteria:
 - Socio / economic and environmental benefits may get derived from the project
 - The community / group of people going to get benefitted and their probable numbers
 - Fitness into the CSR Policy
4. CSR projects can be identified and implemented either directly or through
 - a company established under section 8 of the Act, or a registered public trust or a registered society exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or 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, or
 - 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
 - any entity established under an Act of Parliament or a State legislature; or
 - a company established under section 8 of the Act, or a registered public trust or a registered society exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and 80 of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
5. The Company shall ensure that implementing agency is registered, has filed CSR-1 with the Registrar of Companies and is eligible to receive donations under CSR.
6. The Company shall strive to create awareness amongst its employees about the CSR initiatives with the aim of integration of social processes with business processes.
7. The Company shall make necessary provide adequate training and orientation programmes for its employees for effective implementation of CSR projects.
8. In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

Selection Criteria for the Other NGOs

1. If such trust, society or Company (NGO) is not established by the Company, it shall have an established track record of 3 (three) years in undertaking programs or projects in the areas identified as Focus Areas in this policy.
2. The NGO to submit a certified copy of its registration certificate under which it is registered.
3. The NGO should inform about the unique CSR Registration Number allotted to the NGO upon filing of Form CSR-1 with the Registrar of Company.
4. A brief write up about the activities of NGO must be obtained. Proofs philanthropic activities carried out by the NGO be checked.
5. Any member of the Board may visit such NGO to oversee its operation and report to the Board.
6. On selection of NGO, the Company shall specify the project or programs to be undertaken through NGO, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

Monitoring & Review Mechanism

1. Monitoring of the CSR projects is very crucial and needs to be a periodic activity of the Company.
2. The performance of each of the CSR activities will be monitored by the operational committee or any other officers of the Company or outside agency/person authorised by the Board.
3. The Annual Report of the Company shall include a detailed note on CSR initiatives, as required under the Companies Act, 2013 in prescribed format.
4. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the concerned officer or the person responsible for financial management shall certify to the effect.

Undertaking Impact Assessment

1. As and when the Company reaches the threshold limit of average CSR obligation of Rs. 10 crores or more in the 3 immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of the CSR projects having outlays of Rs. 1 Crores or more, and which have been completed not less than one year before undertaking the impact study.
2. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Display of CSR activities on its website

As required under the Act and Rules, the composition of the CSR Committee (if any), and CSR Policy and Projects approved by the Board will be put up on the Website, if any, for public access.

Management Commitment

The Board of Directors, the Management and all the employees of the Company subscribe to the philosophy of compassionate care. They believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

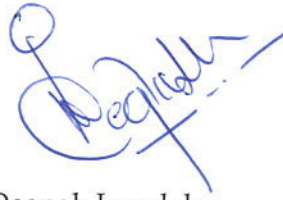
Note

Further any or all provisions of CSR Policy would be subject to revision / amendment by the Board of Directors of the Company based upon recommendations of CSR Committee (if any) or else in accordance with the guidelines on the subject as may be issued from time to time.

Approved in the meeting of the Board of Directors held on 26th September 2023



Kiran Jadhav
Managing Director
(DIN: 01583935)



Deepak Jagadale
Director
(DIN: 01555734)



Madhuri Jadhav
Director
(DIN: 01578314)