

POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

This Policy for Corporate Social Responsibility supersedes the earlier policy w.e.f. March 22, 2024.

Short Title

This policy for Corporate Social Responsibility ("CSR") of AJAX Engineering Limited (formerly known as AJAX Engineering Private Limited) is titled as the "AJAX CSR Policy" and shall include any alterations, amendments, or modifications hereto from time to time.

Preamble

Corporate Social Responsibility at AJAX Engineering Limited (formerly known as AJAX Engineering Private Limited) comprises of self-regulatory measures inducted and integrated in the business strategy of the organisation for the common benefit of the societies and the communities in which it operates. The Company conducts its business in a socially responsible manner. This Policy lays down the mechanism for undertaking socially beneficial programmes for sustainable development of the community at large.

The Board of Directors of AJAX Engineering Limited (formerly known as AJAX Engineering Private Limited) (the "Company"), herein after referred as "the Board", has approved the AJAX CSR Policy. This Policy establishes the overarching principles guiding the Company's Corporate Social Responsibility.

Objective

AJAX CSR Policy intends to:

- Pursue economic development that enhances society on a broad scale while minimizing resource usage.
- Recognize accountability for the company's actions and promote a positive influence on issues such as lack of education, hunger, poverty, malnutrition, the environment, communities, stakeholders, and society as a whole.

CSR Vision

1. Formulate impactful strategies to engage with all stakeholders effectively.
2. Ensure the judicious use of energy and implement environmentally friendly technologies.
3. Vigilantly monitor and prevent pollution, while actively promoting recycling, waste reduction, and sustainable natural resource management.
4. Collaborate with local communities to discern and pursue culturally fitting development goals.
5. Forge partnerships with reputable entities, such as trusts, foundations, and non-government organizations.
6. Fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

Applicability of the AJAX CSR Policy

AJAX CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India.

This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under-privileged.

Constitution of CSR Committee

The board of directors of the company has formed the CSR committee in their meeting held on January 17, 2024 and the CSR Committee of the Board currently has the following members:

1. Mr. D. A. Prasanna, Chairman
2. Mr. K. Vijay, Member
3. Mr. Jacob Jiten John, Member

Committee members will have full access to management of the Company to discuss any matter which the member may wish to discuss or obtain additional information on CSR projects and Programs etc.

The Committee has the authority to retain, set the terms of and compensate independent legal, advisors, consultants or experts that it determines necessary to assist it in carrying out its duties.

Role and Responsibilities of CSR Committee

The Committee is responsible for overseeing the establishment and implementation of corporate social responsibility policies and practices and for monitoring the Company's performance against such policies and practices as well as applicable laws and regulations. The Committee's duties with respect to corporate social responsibility matters shall include:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity or activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. Developing a CSR Strategy - Discuss with management on the Company's corporate social responsibility program;
3. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
4. Reviewing the annual budget for the Company's corporate social responsibility activities to confirm that sufficient funding is provided for compliance;
5. Reviewing the annual budget for the Company's corporate social responsibility activities to confirm that sufficient funding is provided for compliance;
6. Reviewing the Company's corporate social responsibility performance to assess the effectiveness of the Company's corporate social responsibility program and to determine whether the Company is taking all appropriate action in respect of those matters and has been duly diligent in carrying out its responsibilities and to make recommendations for improvement, where appropriate;
7. The Committee will report regularly to the Board following meetings of the Committee with respect to such matters as are relevant to the Committee's discharge of its responsibility;
8. The Committee will review and update, on an annual basis, a work plan for the ensuing year for the Committee to ensure that Committee fulfils its responsibilities on a timely basis.

CSR Committee –

i. Meeting

A minimum number of one meeting of the CSR Committee shall have been held in every year at appropriate intervals. The CSR Committee may meet together for the conduct of CSR, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business. Additional meetings may be called upon serving of proper notice at any time to

address specific needs of the Company. A Committee meeting may be called by the Committee Chairman, or any Committee member.

ii. Notice and Agenda

Notice of not less than seven days of every meeting of the CSR Committee of the Company shall be given in writing to every Committee Member at his address registered with the company or and shall be sent by hand delivery or by post or through electronic means. The meeting of the CSR Committee may be called at a shorter notice to transact urgent business.

The Chairman of the Committee shall establish the agenda for each Committee meeting. The agenda of the business to be transacted at meeting shall be distributed to Committee members along with Notice. Each Committee member is free to request the inclusion of other agenda items.

iii. Quorum and Attendance

Quorum for any Committee meeting shall be one-third of its total strength or two members, whichever is higher. A Committee member who is unable to attend a committee meeting in person may participate by telephone or teleconference or by video Conference but in such cases, for the purpose of quorum, only attendance through video conference will be counted.

CSR Budget and Expenditure

1. The Company shall allocate a minimum of 2% (two percent) of the average Net Profits earned in the three immediately preceding financial years, as per the Act, Rules, and the CSR Policy.
2. The CSR Committee shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.
3. The Board holds the responsibility of approving the CSR Expenditure. Collaborating with the CSR Committee, it ensures that the funds for CSR Expenditure are made available to the Implementation Group for the execution of CSR Activities.
4. Any surplus generated from CSR Activities shall not contribute to the Company's business profit. Instead, it must be reallocated exclusively to the CSR Activities outlined in this CSR Policy and the annual action plan for the relevant financial year.
5. CSR Activities, to be considered part of CSR Expenditure, must adhere to applicable laws and should exclude the following:
 - i. Activities part of the company's normal course of business, except for the training of Indian sports personnel at the national or international level.
 - ii. Contributions directly or indirectly to any political party under Section 182 of the Act.
 - iii. Activities benefiting company employees, as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019).
 - iv. Sponsorship-based activities supporting marketing benefits for the company's products or services.
 - v. Activities carried out to fulfil any other statutory obligations under any law in force in India.
 - vi. Projects/activities not falling within Schedule VII (i.e., activities mentioned under CSR initiatives and programs).
6. The Board is responsible for ensuring that administrative overheads do not exceed five percent of the total CSR expenditure of the Company for the financial year.

CSR Activities

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:
 - (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
 - (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
 - (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
 - (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
 - (v) 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 art and handicrafts;
 - (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
 - (viii) 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
 - (ix) (a) Contribution 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; and (b) 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).
 - (x) rural development projects
 - (xi) slum area development.
[Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]
 - (xii) disaster management, including relief, rehabilitation and reconstruction activities.
 - (xiii) Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
3. Based on the scope of activities set out in this paragraph above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
4. The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
5. The following details of any CSR Activities to be undertaken by the Company shall be presented to the Board by the CSR Committee along with its recommendations:
 - (i) The list of CSR projects or programmes to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - (ii) The objectives and expected results of the CSR Activity;
 - (iii) The relevant sector and the nature of the CSR Activity;
 - (iv) The focus area/ location for implementation of the CSR Activity;
 - (v) The modalities of utilisation of funds and amount to be allocated towards the CSR Activity;
 - (vi) The implementation schedules for the projects or programmes with indicative timelines for completion of the CSR Activity;
 - (vii) The manner of execution - whether the CSR Activity should be undertaken by the Implementation Group or any Implementing Agency or in collaboration with any other company;
 - (viii) Monitoring and reporting mechanism;
 - (ix) details of need and impact assessment, if any, for the projects undertaken by the company; and
 - (x) Such other details as it may deem necessary.
6. In case any of the CSR Activities to be undertaken are anticipated to be long term i.e. an ongoing project being of a term of 3 (three) years excluding the financial year in which it was commenced, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
7. Based on the recommendations of the CSR Committee, the Board shall approve the CSR activities of the Company for a given financial year.
8. The CSR Committee and the Board may abandon or modify an ongoing project, partially or wholly, under exceptional circumstances, during the prescribed project period as per the recommendations of CSR Committee and by providing reasonable justification to that effect.
9. The budget outlay dedicated for one project can be used against another project. In such a case, the Board and CSR Committee should appropriately record the alteration in the target spending and modify the same in accordance with the actuals.

CSR Implementation

The CSR Committee would assist in implementation and monitoring of the CSR projects/initiatives.

Implementation of CSR activities can be done in number of ways:

- Direct mode
- Through NGOs
- Participatory Approach involving beneficiaries
- Involving experts
- AJAX Trusts and organizations set up to implement AJAX Focus Initiatives.

Each of our CSR projects and programmes would have clearly defined output, outcome and process indicators which will have to be reported on a periodic basis. All projects and programmes will be primarily monitored by the Internal CSR team of the Company, based on the reports and field visits and be reported to the CSR Committee. The CSR Committee will receive periodical progress reports of all CSR activities of the company.

The Company may also collaborate with other companies for undertaking projects or CSR activities.

Monitoring

The CSR Committee will ensure a transparent monitoring mechanism for ensuring effective implementation of the projects / programs/ activities proposed to be undertaken.

The Company's CSR activities will be reviewed by the CSR Committee. A system will be put in place to maintain a transparent monitoring and reporting mechanism across all the stakeholders involved in the CSR activities of the company, as desired by the CSR Rules (Section 135, Companies Act, 2013).

Reporting

Significant CSR activities and achievements will be reported as part of the Director's Report in the Company's Annual Report and also as per any other statutory and regulatory reporting requirements.

Review

This Policy will be reviewed periodically by the Board.

Amendments

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.