



CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

INTRODUCTION

Action Construction Equipment Limited (ACE) is committed to high social, ethical and environmental standards since its inception. ACE believes that an organization should make all decisions considering the social and environmental consequences.

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of ACE to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

ACE recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR a key business process for sustainable development. ACE is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our company is committed towards aligning with nature; and has adopted eco-friendly practices.

With the instigation of new Companies Act, 2013 (hereinafter referred to as "Act") and rules made thereunder, the constitution of Corporate Social Responsibility has been mandated with the responsibility for all the CSR works. The Schedule VII of the Act lays down the framework and modalities of carrying out CSR activities. Therefore, the Company has to formulate a policy for the welfare and sustainable development of the society, while meeting the interest of the shareholders.

Our Company ACE has also established **ACE Emergency Response Service Trust** to provide Medical Emergency Services to poor and needy people.

DEFINITIONS:

"Act" means the Companies Act, 2013.

"Activities" means the CSR activities of the Company.

"Board" Board means the Board of Director of the Company.

"Company" means Action Construction Equipment Limited and all its offices.

"Committee" means Corporate Social Responsibility Committee established under the Companies Act, 2013.



OBJECTIVE

The CSR Policy covers both existing and proposed activities to be undertaken by ACE within the meaning of section 135 of the Act read with schedule VII and rules made thereunder. The major sectors where ACE expands its hands under CSR are as follows:

1. To establish and provide Free Medical Emergency Services in Palwal District and to extend these services to other places.
2. To establish, develop and maintain the mobile hospitals for medical facility for general public.
3. To establish, run, support and grant aid/other financial assistance to the needy for their life saving treatments.
4. To establish, develop, maintain the mobile dispensary and provide medical aid to the general public.

CSR COMMITTEE

CSR Committee of the Board of Directors has been formed under the applicable laws and the committee shall be responsible for the implementation/ monitoring and review of this policy and various projects / programmes to be undertaken under this policy. The CSR Committee shall submit periodical reports to the Board of Directors.

ROLES AND POWERS OF CSR COMMITTEE

- (i) Formulate CSR Policy and recommend the same to the Board of Directors for their approval.
- (ii) Recommend and review of CSR activities to be taken up by the company as specified in schedule VII of the Act.
- (iii) Review the progress of the CSR projects / programmes to be undertaken by the company and utilization of budget on each project / programme.
- (iv) Monitoring CSR Policy from time to time and create transparent monitoring mechanism for implementation of CSR activities.
- (v) Review and recommend the CSR Report to be included in Board's Report.
- (vi) Recommend and review any amendments to be made in the CSR policy of the Company as may be required from time to time.
- (vii) Authorise executives of the Company to attend CSR Committee meetings.

CSR SPEND/CSR BUDGET

The Committee shall endeavour to spend atleast 2% of the average net profits of the company during the preceding three financial years on CSR Activities as mandated under section 135 of the Act and rules made thereunder.

The Committee shall prepare the annual budget and further identify the projects to be undertaken, expenditure on each project and implementation schedule of the projects. The total estimated expenditure shall be approved by the Board of Directors.



MONITORING OF CSR ACTIVITIES

The CSR Committee incorporated shall be responsible for the monitoring of CSR Projects / Programmes to be undertaken by the Company directly or indirectly. The Committee shall ensure that;

- (i) The Company undertakes the CSR Activities as specified under schedule VII of the Act and as provided in CSR Policy.
- (ii) The proposed projects/programmes shall be approved by the Board of Directors.
- (iii) The objective of project/programme is achieved as per plans.
- (iv) The budget allocated for each project is to be utilized as per the approved plan.

SURPLUS ARISING OUT OF CSR

The surplus arising out of any CSR project or program or activities shall not form part of the business profit of the Company.

CSR ANNUAL REPORT

The CSR Annual Report shall be prepared in the format as laid down in the Act and shall be included in Board's Report. The CSR Committee is responsible for the same. The Contents of the CSR policy shall be included in Board's Report and the same shall be displayed on the website of the Company i.e. www.ace-cranes.com along with other information as required under the Act and rules made thereunder.

PROHIBITED ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY

- (i) The activities taken outside India.
- (ii) The amount spent on activities for the benefit of the employees of the Company and their family.
- (iii) Any contribution made to political party shall not be considered as expenditure for the aforesaid purpose.

POLICY REVIEW AND FUTURE AMENDMENT

The CSR Committee shall annual review its CSR Policy and make suitable changes as may be required from time to time and submit the same for approval of the Board of Directors.
