

# **Aavantika Gas Limited**

## **CSR Policy**

### **I. INTRODUCTION**

**Aavantika Gas Limited (AGL)** is a Joint Venture company of GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL), for implementation of City Gas Projects to supply Piped Natural Gas (PNG) to consumers in domestic, industrial and commercial sectors and Compressed Natural Gas (CNG) & Auto LPG to automobile sector in the cities of Madhya Pradesh.

The objective of AGL is to provide safe, convenient and reliable natural gas supply to various sectors. The company has always emphasized on the objective of promoting environment friendly fuel.

For AGL, corporate social responsibility (CSR) is the responsibility of the company that integrates social, environmental and ethical concerns into company's business process. A responsible business is expected to not only take care of its stakeholders but also to engage and contribute meaningfully towards improving the quality of life of the communities and environment in which it operates.

### **II. APPLICABILITY**

This policy is applicable to Aavantika Gas Limited. The Company has developed its CSR policy in accordance with Section - 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Ministry of Corporate Affairs. The policy shall apply to all the CSR projects/programmes undertaken by the Company across its working geographies.

### **III. CSR VISION STATEMENT**

In accordance with vision of the company, its CSR initiatives will supplement its contribution in environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development through its service, conduct and social initiatives.

### **IV. OBJECTIVES**

- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

- To directly or indirectly take up programmes that benefit the communities in & around its work centres and results, over a period of time, in enhancing the quality of life & economic well being of the local populace.
- To develop an integrated and sustainable social responsibility programme for the community.
- To play a major role in transforming society through education, health and environment awareness.

#### V. CSR Committee

- The composition of Corporate Social Responsibility Committee (CSR Committee) of the Board shall be notified from time to time, in terms of provisions of section provisions of sub – section (1) of section 135 of the Companies Act, 2013.
- The present composition of the CSR Committee of the Board is as under.

<b>Name</b>	<b>Designation in Committee</b>
Shri Anil Kumar	Chairman
Shri M. Ananth Krishnan	Member
Maj. General B.P. Tiwari (Retd.)	Member

The Board shall have the power to make any change(s) in the constitution of the Committee.

- The roles/responsibilities of the CSR Committee include:
  1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013.
  2. Recommend the amount of budgeted expenditure to be incurred on the activities referred to in clause (1) above.
  3. To monitor the Corporate Social Responsibility projects undertaken by the Company from time to time.
  4. Any other power as may be delegated by the Board of Directors of AGL from time to time.

## **VI. CSR Budget and Expenditure**

For achieving its CSR objectives through implementation of meaningful & sustainable CSR projects or programmes, AGL will spend 2% of the Average Net Profit made by the company during the three immediately preceding financial years. (Net profit to be calculated in accordance with the provisions of Section 198 of Companies Act, 2013).

Any surplus arising out of CSR projects/ programmes/ activities shall not form part of the business profit of the Company.

## **VII. Projects, Programme and activities**

The activities of the Company will generally be in consonance with the Schedule - VII of the Companies Act, 2013 as under:-

- Eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care and sanitation(including contribution to the Swachh Bharat Kosh set up by Central Government for the promotion of sanitation) and making available safe drinking water,
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects,
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward ,
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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)
- 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,
- Measures for the benefit of armed forces veterans, war widows and their dependents;

- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- Contribution 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;
- contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government,
- Rural development projects,
- Slum Area Development.

The CSR projects and programmes will be identified and funds shall be allocated on a yearly basis, as per the need assessment, specific to the location, target beneficiary and agency partnering for implementation and shall be executed in a phased manner.

### **VIII. Area Identification**

The Company will give preference to the local areas where it operates and areas around it for spending the amount earmarked for Corporate Social Responsibility activities. This will include nearby areas/villages that normally fall within a reasonable radius from its areas of operations. The area coverage will be gradually expanded in a manner that it benefits the community at large.

### **IX. Implementation**

CSR programmes will be undertaken to the best possible extent within the ambit of the identified thrust areas approved by the CSR committee. It is desirable that most of the CSR activities are carried out in areas of company's operations.

However in exceptional cases such as natural calamities, rural development in proposed expansion areas etc. not more than 30% of the budget to be spent outside the geographical areas.

The amount earmarked for CSR shall be spent by the Company by itself or through CSR activities shall be undertaken through various agencies including registered trusts/ societies or companies or autonomous bodies/government departments.

### **Monitoring and Feedback**

To ensure effective implementation of the CSR programmes to be undertaken, a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities will be put in place which includes the following:

- Site Visits by committee members/implementation committee/ concern person or
- Appropriate documentation with supporting evidence such as photographs, videos etc, to be maintained & informed to CSR committee or
- To publish a booklet on the CSR activities undertaken by the Company on annual basis.

### **X. Reporting**

An Annual Report on CSR containing details about the CSR policy and programmes implemented by AGL shall be included in the Board of Directors' Report for every Financial Year, as per the format prescribed under the Rules to Section 135 of Companies Act, 2013.

Composition of the AGL CSR Committee will be included in the Annual Report on CSR and also displayed on the AGL website.

If for some reason, AGL fails to spend 2% of the avg. net profit of the preceding three Financial Year on CSR, the reasons thereof, shall be furnished in the report of the Board of Directors under Section 134 (3) (o) of the Companies Act, 2013.