

CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

AEGIS LOGISTICS LIMITED

FRAMED UNDER SECTION 135(3)(a) OF COMPANIES ACT, 2013

I. INTERPRETATION

For the purposes of this Policy references to the following shall be construed as:

1. "Corporate Social Responsibility" or "CSR" shall mean the activities intended to be taken up as mentioned herein to achieve and further the Company's vision and which are specified in schedule VII of the Companies Act, 2013.
2. "Corporate Social Responsibility Committee" or "CSR Committee" shall mean a Committee consisting of Mr. Kapoorchand M. Chandaria (Chairman), Mr. Anish Chandaria, Mr. Dineshchandra J. Khimasia, Mr. Kanwaljit S. Nagpal.
3. "Company" means Aegis Logistics Limited
4. "CSR Policy" shall mean the contents herein including any amendments made by the board of directors of the Company.
5. "Net Profits" shall mean the net profit before tax of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely :-
 - a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and

- b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013.
6. "Priority Projects" shall mean such CSR projects which are selected by the CSR Committee to be pursued by the Company.

PHILOSOPHY AND CSR BACKGROUND

PHILOSOPHY

Corporate Social Responsibility (CSR) 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 Aegis Logistics Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders. The Company 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.

CSR BACKGROUND

The Company has been associated with the CSR activities since past 35 years, even before the CSR term was coined. The Company's earliest initiatives date back in the year 1979 with 5 villages and with the mission to eradicate poverty through an integrated rural development approach addressing the multifaceted complexity of rural development.

The Company is a proud sponsor of ANaRDe Foundation, a government accredited NGO which was established in 1979. ANaRDE now operates in eighteen states of India, where through its network of regional centres and field workers, it is involved in several initiatives such as the management of village water resources, skills training, self-help groups, empowerment of women, and entrepreneurship development. ANaRDe also works closely with banks to promote the inclusion of the rural population in the formal financial sector. In association with Habitat for humanity, the foundation is actively engaged in the provision of low cost housing and has so far assisted 450 families in its initiative.

Acting through this foundation, Aegis has continued to work actively in area of rural development and poverty alleviation. The foundation has also focused on three key areas: provision of clean drinking water, low cost housing and assistance to tribal areas. In association with various government bodies, ANaRDe Foundation has procured and distributed agricultural tools and implements, seeds and fertilizers and bio gas plants in 90 villages.

II. CSR VISION

Vision: We as a Company are committed to making a sustainable positive impact on the communities in which we operate by actively contributing to their social and economic

development. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

Our aim is to be one of the most respected Companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees. Our CSR initiatives focus on holistic development of communities and create social, environmental and economic value to the society.

The CSR Committee's Vision is "changing lives in pursuit of collective development and environmental sustainability". This vision should encompass all CSR activities of the Company.

III. OBJECTIVE

The objective of this Policy is not only to guide the Company and its people to indulge in social activities but also to integrate the business processes with social processes. The Company believes that CSR Policy is the Company's faith in socially inclusive and sustainable business as the way of doing business.

The CSR Committee will choose Priority Projects from time to time.

IV. GENERAL POLICIES

The Company recognises that good CSR embraces all aspects of sustainable development and the way the Company affects people through its business operations. The Company recognises that CSR is not all about spending – it is orientation of the Company and its people to larger social causes. The Company encourages its people to contribute to its CSR efforts in every possible way.

The policies to be pursued by the CSR Committee are as follows:

General business policies:

1. The Company realises that one of most important parameters for a socially responsible corporate citizen is to carry business in accordance with principles of sustainability, balance and equity. The Company will always strive to align its business interests with those of the society in general, ecology and environment. The Company further encourages any stakeholder or any member of the public to make thoughtful suggestions, addressed to Chairperson of the CSR Committee, for sustainable business practices.

2. The Company shall strive to enhance corporate value while achieving a stable and long-term growth for the benefit of stakeholders.
3. The Company respects and honours the human rights of people involved in its business and, in particular, does not use or tolerate any form of forced or child labour.

Manner of selection and execution of CSR Projects:

1. A CSR Project may be selected by the CSR Committee, either based on its own discretion, or based on recommendations by any stakeholder as mentioned above. The CSR Committee will accord priority to projects in the areas covered by Priority Projects.
2. The CSR Committee, after identifying and approving a CSR Project, may fix a target spending, and direct the CSR Cell/ CSR Co-ordinator to carry out the execution thereof.
3. The CSR Committee shall periodically monitor and evaluate the performance of the Projects and the achievement of targets.

CSR Projects:

1. The Company will encourage voluntary efforts of its directors and employees to CSR Projects. The Company also encourages its directors and employees to recommend to the CSR Committee meaningful projects in accordance with the Guiding Principles that may be taken up by the Company, under the supervision of the CSR Committee.
2. In addition to Projects that may be taken up by the Company directly, the Company may also collaborate with other companies or entities, including its group companies, to carry out any CSR Projects, in accordance with this Policy.
3. The investment in CSR projects shall be project-based with specific timeframes.
4. As far as possible, the Company shall strive to create self-sustainability in its CSR efforts, that is to say, over a long run, a CSR Project should be able to generate sufficient resources, whether by way of profits or by way of a regular flow of contributions, so that it does not have to depend on the Company's contribution on a regular basis.
5. Expenditure incurred on building CSR capacities of Company's personnel or those of implementing agencies through Institutions including expenditure on

administrative overheads shall not exceed 5% of the total CSR expenditure of the Company in one financial year.

6. The CSR Committee shall ensure that activities included by a Company in its Corporate Social Responsibility Policy are related to the activities included in schedule VII of the Companies Act, 2013.
7. The progress of all CSR Projects, including the spending thereon, shall be periodically reviewed by the CSR Committee.

CSR Cell

1. The Company, along with pursuing CSR projects at its own, will also constitute a CSR Cell consisting of a specified number of whole time employees of the Company, who, in addition to their regular duties, will come forward to contribute to the Company's CSR initiatives.
2. The CSR Cell would further be actively involved in implementation of projects in accordance with the Guiding Principles and General Policies as consented by the CSR Committee.
3. The CSR Cell may work singly or in partnership with any eligible trust(s), NGO(s) or other organisation(s) as approved by the CSR Committee.

Carrying out of CSR Projects through external agencies

In case the CSR Committee decides to execute a CSR Project through an external agency, such as a trust, society or NGO ("Agency") or a trust or society established by the Company, it would adhere to the following guiding principles:

1. The Agency must be eligible for carrying the CSR Project, and must have track record in carrying similar project for a period to the satisfaction of the Committee, but not less than 3 years. Subject to the above, any director of the Company may be associated/affiliated as a trustee, governing body member or in any other manner with the Agency, provided that no personal benefit, directly or indirectly, should flow from such Agency to any such director.
2. The Committee shall provide specific Project agenda, targets, target spending, accomplishments, manner of execution etc to the Agency, subject to discussions with the Agency.

3. The disbursement of funds to the Agency must be done on a progressive basis so as to align with the funding needs of the Project, and to permit the evaluation of the activity carried so far.
4. The Committee shall identify & nominate a CSR Co-ordinator from external agency, such as a trust, society or NGO
5. The Agency must provide periodically reports, to the satisfaction of the Committee, about execution of the Project.

CSR Spend

For achieving its CSR objectives & activities, Aegis will contribute 2% of its average net profits made during the three immediately preceding financial years in relation to the current financial year.

Priority Projects

The Company has currently identified the following Priority Project to be undertaken by the CSR Committee, through the trust in the name of "ACIL Navasarjan Rural Development Foundation" established by the Company:

"RURAL Development Projects"

Notwithstanding the listing of the Priority Projects, the CSR Committee may accept CSR Projects falling within the areas listed in schedule VII of the Companies Act, 2013, at its discretion.

MONITORING AND EVALUATION

1. The Committee shall seek financial statements and reports from the CSR Cell/ CSR Co-ordinator of external agency on each project on a quarterly basis. (*discretion of the Company*)
2. The Committee shall discuss the progress of each project undertaken and make any decision with respect to the project which it thinks fit.
3. Where, after the adoption of this Policy by the Board of the Company, the Committee requires further funds for undertaking any new CSR project, the Committee shall request the Board of the Company to approve such higher amount.
4. Where there is any surplus lying in the "Expenditure for CSR Account" (which need not be a separate fund, but merely an accounting reserve), the same shall not be

considered a part of the business profits of the Company. Such surplus shall be carried forward to the next financial year.

5. Where the CSR Cell has failed to spend the allocated amount or failed to meet the timeline for execution of its projects, the CSR Committee shall furnish to the Board the reasons for the same.
6. The Company will review the Policy from time to time based on changing requirements of the target beneficiaries and make such modification(s), as may be necessary.

Place: Mumbai

Date: 5th March, 2015

ANNEXURE – I

List of activities that may be taken up by the Company as their Priority Projects -

- a) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for promotion of sanitation and making available safe drinking water;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) 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;
- d) 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 central government for rejuvenation of river Ganga;
- e) 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 arts and handicrafts;
- f) measures for the benefit of armed forces veterans, war widows and their dependents;
- g) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- h) 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;

i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

j) rural development projects.

k) 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."