



**CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
AEGIS LOGISTICS LIMITED
(FRAMED UNDER SECTION 135 OF COMPANIES ACT, 2013, AS
AMENDED AND RULES MADE THEREUNDER)**

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I. SCOPE AND APPLICABILITY

Corporate Social Responsibility Policy (“the Policy” or “this Policy”) applies to Aegis Logistics Limited (“ALL” or “Company”). This Policy shall be applicable to all Corporate Social Responsibility (“CSR”) activities taken up by the Company at various locations in India for the benefit of different segments of the society at large.

II. 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 purpose of the Policy is to facilitate organized and approved contributions to impact the society towards welfare and sustainable development of the community in line with the CSR activities permitted under Schedule VII of the Act and in the manner as specified in CSR provisions.

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

III. 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 as amended from time to time
2. “Act” means Companies Act, 2013 as amended from time to time.
3. “Corporate Social Responsibility Committee” or “CSR Committee” shall mean a Committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.
4. "Board" means the Board of Directors of the Company.
5. “CSR Rules” means the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time.

6. "Company" means Aegis Logistics Limited
7. "CSR Policy" or "Policy" shall mean the contents herein including any amendments made by the board of directors of the Company.
8. "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.
9. "Priority Projects" shall mean such CSR projects which are selected by the CSR Committee to be pursued by the Company.
10. "Ongoing Project" 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.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

IV. 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 sponsored ANaRDe Foundation, a government accredited NGO which was established in 1979. ANaRDe 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.

The Company shall undertake CSR initiatives through ANaRDe Foundation or engage in activities for the benefit of different segments of the society as permitted under schedule VII of the Companies Act, 2013 as reviewed and approved by the Board of Directors, from time to time.

V. 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.

VI. GENERAL GUIDING PRINCIPLES

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 guiding principles to be pursued by the CSR Committee are as follows:

General business principle:

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:

The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules.

The CSR Committee will accord priority to projects in the areas covered by Priority Projects.

BASIS FOR 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 this Policy 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 eligible 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,
5. 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 as amended from time to time as set out in **Annexure-I**.
6. The progress of all CSR Projects, including the spending thereon, shall be periodically reviewed by the CSR Committee.

VII. MODE OF IMPLEMENTATION

1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules and the annual action plan formulated and recommended by the CSR Committee.
2. The Board shall ensure that the CSR activities are undertaken by the Company itself or through:
 - (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or
 - (b) 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
 - (c) any entity established under an Act of Parliament or a State legislature; or
 - (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Every entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Act and Rules.

3. The Committee may provide specific Project agenda, targets, target spending, accomplishments, manner of execution etc to the Implementation Agency, subject to discussions with the Implementation Agency.
4. The disbursement of funds to the Implementation 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.
5. The Committee may identify & nominate a CSR Co-ordinator from Implementation agency, as mentioned above.
6. The Agency must provide periodically reports, to the satisfaction of the Committee, about execution of the Project.

VIII. FUND ALLOCATION

1. CSR Funds

The corpus for the purpose of carrying on the aforesaid activities would include 2% of the average Net Profits of the Company made during the three immediately preceding Financial Years calculated in accordance with the relevant provisions of the Act read with the relevant Rules or such higher sum as may be decided by the Board of Directors of ALL.

2. CSR Expenditure

- i. Administrative overheads shall not exceed five percent of the total CSR Expenditure of the Company for any financial year (or such expenditure as may be prescribed under the Act).
- ii. Any surplus arising out of the CSR projects or programs shall not form part of the business profit of the Company and shall be treated as follows:
 - a. ploughed back into the same project or
 - b. shall be transferred to the Unspent CSR Account and spent in pursuance of this CSR policy and annual action plan of the Company
 - c. Transferred to a fund specified in Schedule VII, within the prescribed timelines as specified in the CSR Rules

- iii. Any unspent amount shall be reported by the Board in its report specifying the reasons for not spending the amount and shall be dealt with in accordance to Section 135 of the Act and rules under Amendments thereof.
- iv. Where the Company spends an amount in excess of the requirement provided under Section 135 of the Act, such excess amount shall be set off against the requirement to spend under Section 135 of the Act, up to immediate succeeding three financial years subject to the conditions that:
 - a. the excess amount available for set off shall not include the surplus arising out of the CSR activities; and
 - b. the Board of the Company shall pass a resolution to that effect.

“Unspent CSR Account” refers to an account opened as such by the Company with its Bank to transfer the amount remaining unspent at the end of Financial Year which relates to an ongoing project.

In case of ongoing project, the Board of 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.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by -

- a) A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
- b) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c) a public authority:

Priority Projects

The Company has currently identified the following Priority Project to be undertaken by the CSR Committee, either directly or through the trust in the name of “ACIL Navasarjan Rural Development Foundation”:

**RURAL Development Projects” or activities carried out at the local areas of the
Company’s operations**

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, as amended from time to time, at its discretion and as set out in **Annexure -I**.

IX. CSR ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board of Directors, a CSR Annual Action Plan in pursuance of this Policy, which shall include the following, namely:-

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes as specified in rule 4 (1) of CSR Rules;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

The Board of Directors may approve the Annual Action Plan with such further conditions as it deems fit and further alter Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

X. IMPACT ASSESSMENT

The impact assessment, if applicable, shall be conducted for eligible CSR projects as mentioned under the Act.

The impact assessment reports, if applicable, shall be placed before the Board and shall be annexed to the annual report on CSR.

Impact assessment, if applicable may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

XI. MONITORING AND EVALUATION

1. The Committee shall seek financial statements and reports from the Company/ Implementation agency on each project on a quarterly basis. (*discretion of the Company*)
2. The Committee shall make any decision with respect to the project which it thinks fit.
3. The CSR Committee shall periodically monitor and evaluate the performance of the Projects and the achievement of targets.
4. The surplus arising out of the CSR activities shall not form part of the business profit of the Company. Such surplus shall be spent towards its CSR activities in accordance with this policy. 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.
5. The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

XII. DISCLOSURES AND REPORTING

This Policy, composition of CSR Committee and projects approved by the Board will be posted on the Company's corporate website.

All disclosures and reporting requirement related to CSR shall be made in accordance with the Act and the CSR Rules.

In the event of any inconsistency between this Policy and the applicable laws, the applicable laws will prevail. This Policy will be reviewed by the Board, on the recommendation of the CSR Committee, as and when deemed necessary.

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 Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows
- 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 Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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) 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
- j) 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).
- k) rural development projects.

l) 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."

- m) Disaster management, including relief, rehabilitation and reconstruction activities.