

CMA CGM LOGISTICS PARK DARI PRIVATE LIMITED

Corporate Social Responsibility Policy

(Revised version w.e.f. 18th June, 2020)

I. PREAMBLE

CMA CGM Logistics Park (Dadri) Private Limited (hereinafter referred to as “the Company”), recognizes the impact it has on community in which it operates and believes that it has a tremendous opportunity to change the lives of people at large and aims to be a trusted entity contributing to the social, economic, educational and environmental progress of India. As part of its dedicated approach to create opportunities in the community in which it operates, the Company has been contributing its time, expertise and resources to help and undertaking series of initiatives that are locally relevant.

II. AIMS AND OBJECTIVES

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.

In this regard, the Company has made a policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and titles as the “Corporate Social Responsibility (CSR) Policy” which as per the Companies Act, 2013 and rules made there under.

III. BACKGROUND

In conformity with the requirements laid down under The Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the “CSR Rules”) issued by the Ministry of Corporate Affairs (“MCA”), Government of India under Section 135 of the Companies Act, 2013 (“the Act”) the CSR Committee of the Board had drafted a CSR Policy, which was approved by the Board of Directors at their Meeting held on 19th March, 2015.

Later, in view of the various Circulars issued by the MCA clarifying various aspects of CSR Rules and also certain amendments made to Schedule VII to the Companies Act 2013 to enhance the list of activities that will qualify as CSR activities, the Board of Directors had adopted a revised CSR Policy for the Company at its meeting held on 18th June, 2020. In order to incorporate further changes in the CSR Policy of the Company, the CSR Committee of the Board had revised the CSR Policy once again, which was approved by the Board at its

meeting held on 18th June, 2020. The Policy can be downloaded from the website of the Company at www.cclg-park.com.

IV. DEFINITIONS

The terms defined in this Policy shall have the same meaning herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Rules including any statutory modifications or re-enactments.

- **Act** means Companies Act, 2013, as amended and modified from time to time
- **Areas of Interest** means the areas of interest as identified by the Company for implementing CSR goals and shall include the areas specified in this CSR Policy and shall include all CSR Activities as enumerated in schedule VII of the Companies Act, 2013.
- **Board** means Board of Directors of the Company
- **Corporate Social Responsibility (CSR)** means and includes but is not limited to:
 - i. Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
 - ii. Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee and approved by the Board as per the policy.
- **CSR Committee** means the Committee of the Board of Directors constituted under the provisions of section 135 of the Act for the purpose of administration of CSR Activities, supervising the adherence to the CSR Policy and matters incidental thereto.
- **CSR Activities** means the activities or projects or programs as recommended by the CSR Committee and approved by the Board of Directors, undertaken by the Company from time to time in any one or more of the areas falling under the schedule VII to the Companies Act, 2013.
- **CSR Commitment** shall mean at least two percent of the average net profits of the Company made during the three immediately preceding financial years as described

in the Policy for conducting its CSR activities in accordance with the Act and CSR Rules.

- **CSR Policy** means CSR Policy of the Company as set out herein and as amended or modified from time to time.
- **CSR Rules** means the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time;
- **Employees** means employees of the Company;
- **Funding** as per the regulations the Company will set aside, for annual CSR activities an amount equal to two percent of the average net profit of the Company made during three immediately preceding financial years and shall include disbursements that are made to projects undertaken pursuant to the Policy with prior approval of the CSR Committee and the Board in accordance with the Act and Rules therein;
- **Organizations** means a company established under section 8 of the Act or a registered trust or a registered society or through a company established by the Central Government or State Government or any entity established under the Act of Parliament or a State Legislature read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2016 notified through notification dated 23rd May, 2016.
- **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the followings, namely:-
 - i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise, and
 - ii. 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.
- **Average Net Profit** means profit calculated as per section 198 of the Companies Act, 2013.

V. PURPOSE

The Policy establishes the scope, CSR goals of the Company and funding approval process. This Policy shall operate as the corporate responsibility policy of the Company for the purposes of Section 135 of the Act and Rules.

VI. CONSTITUTION, COMPOSITION AND SCOPE OF CSR COMMITTEE

(a) Constitution and composition of the CSR Committee:

The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising 4 (four) members of the Board. Subject to the requirements of the Act, the Board may increase or decrease the size of the CSR Committee by passing a resolution.

The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy and in accordance with the provisions of section 135 of the Companies Act, 2013.

(b) Invitees to the CSR Committee:

The CSR Committee may, at its discretion, invite employees of the Company from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in the implementation of the CSR Activities. Invitees to the CSR Committee meetings shall be entitled to participate in the deliberations of the CSR Committee but will not be entitled to vote at the meetings of the CSR Committee.

(c) Scope of the CSR Committee:

The CSR Committee has been set up to:-

- Formulate and recommend to the Board, CSR Policy which shall indicate the activities to be undertaken by the Company as detailed in the Schedule VII to the Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy.
- Monitor the CSR Policy from time to time.

(d) Modalities of execution of the CSR Projects:

The modalities of the execution of the CSR projects or programs and their implementation along with the monitoring process of such projects or programs as decided by the CSR Committee.

(e) Decisions by the CSR Committee:

- The CSR Committee shall at all time act in a manner that is consistent with the provisions contained in this CSR Policy, the Act and CSR Rules.
- The CSR Committee shall endeavor to arrive at all decisions by a consensus of all Members. However, in the event the CSR Committee is unable to arrive at such a consensus, the Chairman of the Committee may make the final decision.
- All decisions of the Committee shall be ratified by the Board.

(f) Meeting of the CSR Committees

- The CSR Committee shall meet as frequently as it determines necessary.
- Members of the CSR committee can agree upon mutually regarding the time and place for the said meetings.
- Notice and the agenda of meeting may be given in advance to the Members by any communication means.
- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual in accordance with the provisions of the Companies Act, 2013 and rules made there under from time to time.
- The CSR Committee shall maintain minutes of each of its meetings and same shall be place before the Board for noting.

(g) Noting of CSR expenditure

- In case the CSR expenditure is made as per recommendations given by the CSR Committee but not taken in CSR Committee Meeting, the Board of Directors shall

approve the CSR expenditure to be made as per recommendations received by CSR Committee.

- In the CSR Committee Meeting thereafter, noting shall be taken for the expenditure made.

VII. CSR ACTIVITIES (Areas of interest)

The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, can undertake any of the following activities as part of its CSR initiatives which are defined in Schedule VII of the Companies Act 2013;

(a) Areas of Interest:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and 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 centers 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, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- 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 arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognized sports, paralympics 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. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) 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.

Provided that, the CSR projects and programs or activities that benefit only the employees of the Company and their relatives shall not be considered as CSR activities.

Also, the CSR activities undertaken in India only will be taken into consideration, in order to satisfy the requirement of section 135 of the Companies Act 2013.

- (b) The Company may update the above list as per Section 135 and Schedule VII of the Act as amended from time to time.
- (c) The Company focuses its philanthropy primarily in geographic regions of India where the Company has a business presence. However, the Company may contribute to

causes in other parts of India, if the CSR Committee is of the opinion that such contribution is appropriate.

VIII. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES

- The CSR activities shall be undertaken by the company, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- The Board of a company may decide to undertake its CSR activities approved by the CSR Committee, through a company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or along with any other company, or 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 any entity established under an Act of Parliament or a State legislature.
- A company may also collaborate with other companies for undertaking projects or programs 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 programs in accordance with these rules.
- Subject to provisions of sub-section (5) of section 135 of the Act, the CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.
- The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.
- Companies may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least three financial years but such expenditure ["including expenditure on administrative overheads,"] shall not exceed five percent of total CSR expenditure of the company in one financial year.
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

The CSR Commitment shall comprise of the following:

- Two percent (2%) of the average net profits of the Company for the last three (3) financial years;
 - Any income arising from the CSR Commitment; and
 - Surplus arising out of CSR activities, if any.
- If in case the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the prescribed amount.
 - The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.
 - CSR expenditure shall include all expenses including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee, but should not include any expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act.
 - The CSR Committee may identify external organizations and / or entities to assist with the various aspects of implementation of this policy including but not limited to identifying Organizations, obtaining CSR Proposals, conducting due diligence of Organizations etc. from time to time as approved by the CSR Committee and the Board. The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR activities or programs undertaken by the Company.
 - **Identification of CSR Proposals** : The CSR Committee may identify and receive CSR project proposals from an Organization in line with Areas of Interest as set out herein provided:

CSR proposals received from an Organization shall include the following:

- i. information about the organization and projects that they have undertaken in the past three years;
- ii. Proven track record of the organization for the past three years in the area of project activity that it has been nominated for;

- iii. Information of the project and the activities that the Organization proposes to undertake in relation to which funding is sought from the Company;
 - iv. contain detailed budget indicating various heads under which expenditure is proposed to be made and the quantum of such expenditure;
 - v. The impact of the activities that are proposed to be conducted;
 - vi. Any other information that may be material for the Company to make an informed decision on supporting the project. Such information may include but is not limited to relationships that the Organization (directors, employees, etc.) may have with any employee of the Company;
 - vii. Proof of registration under the Foreign Contribution (Regulation) Act, 2010;
 - viii. A completed Funding Request Form of the Company.
- Upon receipt of Proposals, the CSR Committee shall conduct appropriate due diligence of the CSR Proposal and the Organization either directly or through external organizations and/ or entities to ensure alignment with this CSR Policy and to ascertain the following:
 - i. Relevance of the CSR Proposal to the Areas of Interest.
 - ii. Appropriateness of project financials, the budget and timelines.
 - iii. Impact on targeted beneficiaries.
 - iv. Is the CSR activity permitted under the Act and Rules.
 - v. Assessing whether the proposal is purely philanthropic.
 - Has no direct or indirect benefit to the Company or its employees; has no conflicts of interest or self-dealing exist;
 - Has no political or religious affiliation;
 - Has no activity that is inconsistent with the Company's non-discrimination policies; and

- Upholds requirements under the Foreign Corrupt Practices Act, 1977.
- **Approval Process:**
 - i. Upon receipt of the CSR proposal, the CSR Committee shall evaluate the same in accordance with this policy.
 - ii. The CSR Committee may take such time as it deems necessary to deliberate and come to a conclusion regarding a CSR Proposal. The CSR Committee may, approve or decline a CSR Proposal.
 - iii. All funding to Organizations must be approved in advance by the CSR Committee and the Board and such approval shall be obtained prior to making any commitment to the Organization in this regard.
 - iv. Subsequent to the approval of the CSR Proposal by the CSR Committee, the CSR Proposal shall be placed before the Board together with the recommendations of the CSR Committee for its consideration and approval. The Company will provide Funding only to such projects as may be approved by the Board.
- **Post Approval Process**
 - i. Subsequent to the approval of the CSR Proposal by the Board, the Company and the Organization shall enter into appropriate documentation regarding the terms of the funding and the manner in which such funding shall be disbursed by the Company. Such documentation shall be in a form and substance that is acceptable to the CSR Committee and the Board.

OUR APPROACH TO IMPLEMENTATION:

We will strive to implement the aforesaid CSR activities on our own to the extent possible. However, the principle implementer of our CSR activities would include:

- Collaborating with various organization, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialize in the aforesaid activities.
- Contribution to various funds which are aligned with our Vision and Mission e.g.

- i. Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)
- ii. Any other fund set up by the Central Government for :
 - ✚ Socio-economic development and relief.
 - ✚ for the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.

IX . MONITORING MECHANISM

- Organizations receiving funding will be required to provide evaluation information on a periodic basis with details on the status of the CSR Activities, including details concerning the project deliveries, costs incurred, and in a manner prescribed by the Company.
- A summary of these reports shall be tabled before the meetings of the CSR Committee.
- Detailed reports will be available for further perusal of the members of the CSR Committee as required.
- The Company reserves the right to suspend payments to an Organization that delays and or fails to provide, to the Company's satisfaction, details concerning the use of the Funding.

X. REPORTING MECHANISM

The Company shall publish its annual report on CSR Activities in its Directors Report in the manner prescribed under the Companies Act 2013 and the CSR Rules. This policy will also be available on the Company's website.

XI. AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or on the recommendations of CSR Committee can amend its policy as and when it deems fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.