

**Allcargo Logistics Park Private Limited**

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**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

### **1. Introduction and Objectives:**

Allcargo Logistics Park Private Limited (“**ALPPL**”) is subsidiary of Allcargo Logistics Limited in the nature of Joint venture Agreement between Allcargo Logistics Limited and Container Corporation of India Limited, for providing setting up, managing and operation of the Container Freight Station/Inland Container Depot at the project land within Dadri Limits.

The objectives of the CSR policy is to

- To promote inclusive sustainable development for the marginalized section of the society.
- To undertake programs that benefits underprivileged and needy communities socially, economically and environmentally in enhancing quality of life.
- To generate community goodwill for the Company and create positive and socially responsible image of the Company as a corporate entity.

All words and expressions used and not defined in this policy, but defined in the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 will be applicable as amended from time to time.

### **2. Corporate Social Responsibility (CSR):**

ALPPL is committed to making a positive contribution to the social fabric around us. Our corporate social responsibility (CSR) initiatives extend beyond plain philanthropy and contribute towards greater sustainability.

**2.1 CSR Philosophy:** ALPPL believes in nurturing inclusive development with a human face. In order to put our CSR strategy into action, the focus will be on promoting people centric inclusive development with the active participation of the community at all levels. And to this end, we will initiate, support and sustain initiatives in the areas of education, health, environment, women’s empowerment, disaster relief, and sports.

**2.2 CSR Vision:** Aspire to bring about social, educational and economical empowerment of the various target groups in the communities in particular and society at large.

In driving the CSR, company shall have CSR committee comprising 2 members which shall be approved by the Board of the Company.

### **3. Amendment in CSR Policy:**

The Ministry of Corporate Affairs (‘Ministry’) has issued various amendments, circulars, notifications, etc., subsequent to the introduction of The Companies Act, 2013 & Schedule-VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Ministry has issued Amended CSR Rules titled as Companies (Corporate

Social Responsibility Policy) Amendment Rules, 2021 ('New CSR Rules') vide Gazette notification no. G.S.R. 40(E) dated January 22, 2021.

Considering above, the existing policy of ALPPL needed a comprehensive revision encompassing the new provisions as per new CSR Rules.

#### **4. Financial Resources:**

##### **4.1 Funding and Allocation:**

4.1.1 For achieving its CSR vision through implementation of meaningful and sustainable CSR programs, ALPPL will allocate average of 2% of its previous three year's Profit, as its annual CSR budget.

4.1.2 Any unspent/unutilized CSR allocation of a particular year shall be as per Clause 4.3. .

4.1.3 Any surplus arising out of CSR projects/activities/programs shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

4.1.4 Board should ensure that administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

4.1.5 All amount spent by the Company for creation or acquisition of a capital asset which shall be held by Company registered under Section 8 of the Companies Act, 2013, Registered Public Trust or Registered Society having charitable objects and CSR Registration Number or beneficiaries of the said CSR project in the forms of self-help groups, collective entities or public authority.

4.1.6 Any amount spends in excess of Budgeted amount i.e. in excess of Clause 4.1.1 and 4.2 will be available for set – off for immediate three succeeding financial years as per Section 135 of the Companies Act, 2013, subject to the following conditions that:

- Provided the excess amount available for set – off shall not include the surplus arising out of CSR Activities, if any in pursuance of Clause 4.1.3.
- It should be approved by Board of Directors.

Explanation: For the purposes of this policy "average net profit" shall be pre-tax profits as calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 as amended from time to time.

**4.2 Budget Approval:** Approving authority for sanctioning CSR budget shall be Board of Directors of ALPPL. Non budgeted CSR request shall be presented to the Board of Directors or CSR Committee of ALPPL after review of the project in accordance with the CSR policy.

**4.3 Treatment of unspent/unutilized CSR allocation amount:** The Company shall transfer the amount of unspent/unutilized CSR allocation in the following manner:

**In case the project is not an ‘on – going’ project:** In case unspent/unutilized budgeted amount is not related to any on-going project then company has to transfer such amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

**In case the project is or is to be considered as ‘Ongoing project’:** In case the unspent/unutilized budgeted amount is related to ongoing project the following procedure need to be followed:

- Open a Special Bank Account named as **Unspent Corporate Social Responsibility Account** for the particular financial year in any scheduled bank.
- Transfer the unspent/unutilized budgeted amount to Bank account specified as above within 30 days from the end of the financial year and such amount should be utilized/spent by the Company towards on-going projects within 3 years from the date of transfer.

In case if any amount still remains pending as mentioned in above after completion of 3 years then it should be transferred to a Fund specified in Schedule VII within a period of 30 days after 3 years.

**5. CSR Intervention:** ALPPL shall undertake multiple initiatives focusing on bringing about inclusive social development which contributes towards realization of its corporate social responsibility vision. Its CSR strategy is focused on six broad areas of activity that address the social problems and needs of multiple targets groups of the society in a holistic and sustainable manner.

**5.1 Education:** The primary focus of our educational initiatives is based on our belief that every child has the ability to learn, and excel in any field if opportunity to discover is offered. Opportunities coupled with access to quality professional education among deserving, vulnerable and meritorious students can shape their successful careers and future. ALPPL is empowering children and adults by promoting access to quality education in rural and urban areas. Some of the programs and activities in the field of education that may be undertaken are specified below:

- Programs related to educational mainstreamization of the students
- Activities and programs preventing school/ college drop out
- Providing scholarship to needy and vulnerable target group
- Educational assistance to children of the employees
- Activities for improving quality of education
- Support to building and refurbishing educational institutions
- Career guidance and counseling programs
- Involving parents in educational development of the students
- Vocational training

- Personality grooming of the students
- Educational awareness among students, parents and community

**5.2 Health:** ALPPL supports both preventive and curative healthcare in the community and among its employees. It promotes awareness, enables access and affordability in availing health services. Some of the programs and activities in the area of health that may be undertaken are specified below:

- Medical assistance to employee and their families
- Supporting patients for medicines, operation, investigations and contribute towards lifesaving cause
- Terminal illness
- Nutrition and malnutrition
- TB and Leprosy
- Ophthalmic care of the deprived section of the society
- Mobile clinics
- Supplementing different programmes of local/ state/ central government
- Child and maternal care to prevent infant and maternal mortality
- Blood donation camps
- Awareness on health and hygiene
- Awareness on HIV/ AIDS

**5.3 Environment:** Being a responsible corporate citizen ALPPL is conscious of its responsibilities towards nature and environment and hence is committed to environment protection and conservation. Some of the programme and activities in the area of environment that may be undertaken are specified below:

- Organizing sensitization programmes on environment management, energy conservation, natural resources conservation
- Supporting and creating awareness on alternative energy
- Plantation of saplings
- Awareness on various environment issues
- Promotion of green energy benefiting the targeted community

**5.4 Sports:** Sports today is an integral part of holistic development of the human personality and excellence in sports is also associated with national prestige and morale. Therefore, ALPPL supports talent in youth. Some of the programs and activities in the area of sports that may be undertaken are specified below:

- Sponsoring sportsperson in order to enable them to represent in state, national and international level
- Promotion of various sports activities
- Undertaking programmes for creation of pool of competitive sportsperson.

**5.5 Women's Empowerment:** Women roughly constitute half of the population. Status of the women in the society or country at large is reflected in progress and development that society or a nation has achieved. Supporting activities contributing to gender equality and socio-economic empowerment of the women therefore is extremely important. Some of the activities that may be undertaken are enumerated below:

- Promotion of the Self Help Groups
- Promotion of financial inclusion
- Supporting micro credit initiatives
- Capacity building of the women
- Gender equality and gender sensitization
- Skill building training
- Entrepreneurship based training
- Supporting budding women community entrepreneurs with revolving seed capital

#### **5.6 Disaster Relief:**

- Providing relief material to the victims affected by natural disaster like earth quake, cyclones, draught and flood situation in any part of the country.
- Providing medicines and other essential drugs in order to prevent epidemic in the region.

#### **5.7 Activities listed in Schedule VII of the Companies Act, 2013:**

Besides activities listed in Clause 5.1 to 5.6 hereinabove, ALPPL is also committed to undertake activities listed in Schedule VII of the Companies Act, 2013 as amended from time to time.

### **6. CSR Project Management:**

#### **6.1 Implementation:**

1. CSR programmes would be undertaken to the best possible extent within the defined ambit of the identified thrust area.
2. Project activities identified and approved by the CSR Committee shall be implemented by ALPPL on its own and /or through the Avashya Foundation and collaborating partner like section 8 Companies, Registered Public Trusts or Registered Society registered under the Income Tax Act, 1961 established by Company or by State or Central Government or any entity established under the Act of Parliament or State legislature etc. Also these Collaborating or entities shall have track record of at least three years in undertaking similar activities. These collaborating partners will need to be register themselves with Central Government by filling applicable forms read with applicable rules under CSR and as defined under the Companies Act, 2013.
3. Provided that the provisions of this sub-rule shall not affect the CSR projects or programmes approved prior to the 01<sup>st</sup> day of April 2021.
4. 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.
5. The Board shall also take certificate that funds so disbursed have been utilised

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.

**6.2 Monitoring of the project:** CSR department shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and based on observations shall provide feedback to collaborating partners in order to advance towards realizing project objectives. Some monitoring mechanisms that can be adopted for followed are specified below:

1. Feedback from the beneficiaries of the projects;
2. Formation of the Beneficiary committee;
3. Regular project monitoring visits;
4. Assessment of the project(s) and its impact

**6.3 Annual Action Plan and their alteration if any:** The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- Manner of execution of projects/activities/programmes as per CSR Rules.
- modalities of utilisation of funds and implementation schedules
- Monitoring and reporting mechanism
- Details of need and impact assessment, if any, for above mentioned projects/activities/programmes.

Provided the Board may alter such plan at any during the financial year based on the recommendation of CSR Committee with reasonable justification.

**6.4 Financial report:** CSR Committee shall analyze the report againsts allocation and impact activities of the projects on the stakeholders to the CSR Committee.

**6.5 Annual CSR reporting:** CSR department shall submit Annual Report on CSR to the CSR Committee and ALPPL Board to understand the impact of the project. The Board Report of the Company shall annex Annual Report on CSR containing particulars specified as per Companies (Corporate Social Responsibility) Rules, 2021 with amendment or modification from time to time.

Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Also to noted that impact assessment reports shall be placed before the Board which shall form part of the annual report on CSR.

The Company undertaking impact assessment may book the expenditure towards CSR for the respective Financial Year with a limit of 5% of total CSR Expenditure annually or 50 Lakhs whichever is less.



**6.6 CSR Committee:** CSR Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy along with activities to be undertaken, recommend the amount of expenditure monitor the functioning of the CSR Department of ALPPL and Avashya Foundation and shall also review various projects and activities undertaken by ALPPL and / or collaborating partners in compliance with and under this Policy and shall prepare and submit its reports to the Board of Directors periodically for making adequate disclosures in the Directors Report. In case CSR Commitment of the Company does not exceed Rupees Fifty Lakhs as per Sub Section (5) of Section 135 then formulation of CSR Committee is not applicable and functions of the Committee can be discharged by Board of Directors.

## **7. Prohibited Activities under CSR:**

The Company shall refrain from carrying out activities specified below:

- Activities disturbing communal and social harmony in the country in any manner
- Religious activities like construction of temple, mosque, church, vihara etc.

## **8. General:**

- Any or all provisions of the CSR policy would be subjected to revision / amendment as per the guidelines as may be issued from the Government time to time and/ or as recommended by the CSR Committee and approved by the Board of Directors of ALPPL from time to time.
- The Company reserves the right to modify, cancel, add or amend rules/ provisions specified in the CSR policy.

## **9. Approval of the Corporate Social Responsibility Policy:**

This Policy is prepared by the CSR Committee and approved and adopted by the Board at its meeting held on July 26, 2019 and shall be of guidance for the Board.

## **10. Dissemination of CSR activities on its website:**

The Company shall mandatorily disclose the composition of Committee, content of this Policy and Projects/Activities/programmes approved by Board of Directors on their website for public access.

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Version	Description of Changes
1.0	Adoption of CSR Policy at Board Meeting held on July 26, 2019
2.0	Adoption of amendment in the Policy at the Board Meeting held on May 20, 2022