

# PSA AMEYA

## Corporate Social Responsibility Policy

### I. AIMS AND OBJECTIVES

The Company intends to make a positive difference to society and contribute its share towards the betterment of society and areas in which the Company operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities and to contribute as a company to various charitable causes and participate in ways that touch peoples' lives in these communities.

In this regard, the Company has made this policy encompassing the Company's philosophy for delineating its responsibility as a corporate citizen and laying down the guidelines and mechanisms for undertaking socially useful programs for welfare and sustainable development of the community at large, as per the Companies Act, 2013 and rules made there under.

This policy has been formulated and recommended by the CSR Committee and adopted by the Board of Directors at its meeting held on September 23, 2014 for the first time and then renewed from time to time. The Board may, upon recommendation of the CSR Committee, amend or modify this CSR Policy as and when necessary.

### II. DEFINITIONS

- **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 Clause (B)(2) of this CSR Policy and shall include all CSR Activities as defined under the Act and CSR Rules from time to time
- **Board** means Board of Directors of the Company
- **Company** means Ameya Logistics Private Limited.
- **Corporate Social Responsibility (CSR)** means and includes but is not limited to:
  - 1) Projects or programs relating to activities in areas as specified in Schedule VII to the Companies Act, 2013; or
  - 2) 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 this policy.
- **CSR Committee** means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013.
- **CSR Activities** shall mean the specific activities listed in the Annexure that various Organizations shall engage in which shall be funded by The Company in accordance with the Act and CSR Rules;
- **CSR Commitment** shall mean at least 2% of the average net profits of The Company made during the three immediately preceding financial years as described in Clause (F) of this CSR Policy for conducting its CSR activities in accordance with the Act and CSR Rules;
- **CSR Policy** means CSR Policy of The Company (PSA Ameya)
- **CSR Proposals** shall have the meaning ascribed to the term in Clause (G)(3) of this CSR Policy which shall be in accordance with the Act and CSR Rules;
- **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** shall mean the disbursements that are to be made to an Organization pursuant to this CSR Policy, with the prior approval of the CSR Committee and the Board in accordance with the Act and Rules;
- **Organizations** means such Organizations including NGOs as are permitted to receive Funding in accordance with the Act and CSR Rules;
- **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:
  - 1) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise,
  - 2) 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.

Words and expressions used in this policy and not defined herein but defined under the Companies Act, 2013 shall have the same meanings respectively assigned to them.

### **III. PURPOSE**

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

### **IV. CONSTITUTION, COMPOSITION AND SCOPE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (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 3 (three) 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 members of the CSR Committee shall elect one of them as the Chairman of the Committee. 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 are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.

**The current members of the CSR Committee are available on website of the Company <https://www.ameyalogistics.com/>**

#### **(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 Policy. 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 in areas or subject, specified 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 will be as decided by the CSR Committee.

### (e) Decisions by the CSR Committee:

- The CSR Committee shall at all the time act in a manner that is consistent with the provisions contained in this CSR Policy, the Act, CSR Rules and amendments from time to time.
- 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 but at least twice annually.
- The CSR Committee shall maintain minutes of each of its meetings.
- The CSR Committee shall review proposed projects and make recommendations to the Board for approval of such projects and allocation of Funding in accordance with the CSR Committee charter.
- The final decision with regards to the acceptance or rejection of a CSR Proposal shall be with the Board.

### (g) Noting of CSR expenditure

In case the CSR expenditure is made as per recommendation given by the CSR Committee Members 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 Members.

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

## **V. CORPORATE SOCIAL RESPONSIBILITY 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 corporate social responsibility initiatives, in areas and subject specified 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 including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of 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, agroforestry, 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;
  - (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 art and handicrafts;
  - (vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
  - (vii) Training to promote rural sports, nationally recognised sports, paralympic 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.
  - (xii) Disaster management, including relief, rehabilitation and reconstruction activities.
- 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 or through a company established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature (Companies (Corporate Social Responsibility Policy) Amendment Rules, 2016 notified through notification dated 23rd May, 2016).
- (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.
- (d) The Company will publish the list of specific projects / programs it plans to undertake for any financial year, and the modalities of execution, including implementation plan will be published as an Annexure to this policy from time to time.

Keeping in the view of the spread of novel Corona Virus (COVID-19) in India, its declaration as pandemic by the World Health Organization (WHO), and the decision of Government of India, to treat this as a notified disaster, notification has been issued dated 23<sup>rd</sup> March, 2020, to include the CSR spending for COVID-19 under CSR activities.

### **VI. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES**

CSR activities can be implemented in the following manner:

- (1) The CSR activities shall be undertaken by the Company, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- (2) The Board of a company may decide to undertake its CSR activities approved by the CSR Committee, through
  - (a) A company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or alongwith 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 any entity established under an Act of Parliament or a State legislature .
- (3) 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.
- (4) 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.
- (5) 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.
- (6) 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.
- (7) 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:**

## Corporate Social Responsibility Policy

- a) The Board shall ensure that the Company spends, in every financial year, at least two per cent. of the average net profits of the Company made during the three immediately preceding financial years
  - b) That the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities
  - c) If 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 amount and, unless the unspent amount relates to any ongoing project), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
  - d) For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.
  - e) Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- **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 3 (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 (15U.S.C. § 78dd-1, et seq.).
- **Approval Process:**
    - (a) Upon receipt of the CSR proposal, the CSR Committee shall evaluate the same in accordance with this policy.
    - (b) 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.
    - (c) 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.
  - **Post Approval Process**
    - (a) 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 CSR activities on our own to the extent possible. However, the principle implementer of our CSR activities would include:

- Contribution to various funds which are aligned with our Vision and Mission e.g.
  - ❖ Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)
  - ❖ 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.
- Our Approach shall mostly cover activities which are included in the Schedule VII of the Companies Act, 2013 or any activity which the Committee recommends.



**VII. MONITORING MECHANISM**

- (1) 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.
- (2) A summary of these reports shall be tabled before the meetings of the CSR Committee.
- (3) Detailed reports will be available for further perusal of the members of the CSR Committee as required.
- (4) 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.

**VIII. REPORTING MECHANISM**

The CSR Committee of the Board will annually publish report on the CSR projects as a part of the Director’s report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act 2013.

The CFO or the person responsible for financial management shall certify for below points:

- The funds so disbursed have been utilized for the purposes and in the manner as approved by the Board;
- Monitor the implementation of the project with reference to the approved timelines and year- wise allocation;
- Smooth implementation of the project within the overall permissible time period;

The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company respectively.

**ANNUAL ACTION PLAN FOR CSR SPENDING:**

The Company will follow an annual Action Plan in pursuance of the CSR Policy towards the spending for the Financial Year; this plan will have the structure where the Company is going to spend the CSR funds for the financial year based on the Areas of Interest.

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

| Sr. no. | CSR spending Structure  | Amount to be spent  |
|---------|---|---|
| 1       | PAN India CSR Activities with the group Companies (PSA Group) | <b>One third</b> of the total CSR Amount for the Financial year |
| 2       | Activities which are of ongoing nature and has long term      | <b>One third</b> of the total CSR Amount for the                |

## Corporate Social Responsibility Policy

|   | benefits in the local or state level areas  | Financial year  |
|---|---|---|
| 3 | Activities which require one time spending in the local or nearby areas of the Company for the benefit of the local people. | <b>One third</b> of the total CSR Amount for the Financial year |

**NOTE:** All the CSR spending shall be done only in the activities which are related to the 'Areas of interest' mentioned in the CSR policy of the Company or any activity which is allowed under the Companies Act, 2013 or by the Central Government to consider under Corporate Social Responsibility.

The following shall be done in the manner specified in the CSR Policy:

- The manner of execution of such projects or programs
- The implementation schedules for the projects or programs;
- Monitoring and reporting mechanism for the projects or programs.

\*\*\*\*\*