

AVG LOGISTICS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

I. CSR POLICY

This CSR Policy encompasses AVG Logistics' philosophy for social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities.

II. VISION STATEMENT AND OBJECTIVE

1. The CSR Policy sets out AVG Logistics' commitment towards ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, we propose to adopt the CSR Activities mentioned below.
2. In alignment with the above vision, AVG Logistics, through the CSR Activities, will endeavor to enhance value creation in the society and in the community, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.
3. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act 2013 and the rules issued thereunder.
4. The objective of this CSR Policy is to:
 - (i) Outline projects, programs and activities to be undertaken by AVG Logistics;
 - (ii) Specify the modalities of execution of such projects, programs and activities;
 - (iii) Monitor the process to be followed for such projects, programs and activities;
 - (iv) Directly or indirectly take up programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
 - (v) Generate community goodwill for AVG Logistics and help reinforce a positive and socially responsible image, through our CSR Activities.

III. CSR COMMITTEE

Accordingly, with a view to fulfil the objectives/purposes to meet out the Social obligations of the Company towards the society at last as well as to ensure the compliances whatsoever be made applicable u/s 135 and rules framed thereunder. A CSR Committee has been constituted comprising of the Three Directors out of which One is Independent Director as under, including the functions and responsibilities of the Committee:-

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| - Mr. Pawan Kant (Independent Director) | Chairperson |
| - Mr. Sanjay Gupta (Managing Director) | Member |
| - Mrs. Asha Gupta (Whole-Time Director) | Member |



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1. The CSR Committee shall be responsible for:
 - (i) Formulating the CSR Policy, including the CSR Activities and their budgets as well as recommendation of any subsequent change/ modification to the CSR Policy;
 - (ii) Institute an implementation and monitoring mechanism for CSR Activities;
 - (iii) Periodically updating the Board on the progress being made in the planned CSR Activities;
 - (iv) Providing a responsibility statement in the Board's report.
 - (v) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a).
 - (vi) To constitute CSR cell to take care of the projects proposed to be undertaken as well as monitoring thereof.
 - (vii) The Committee shall ensure that appropriate designated staff or personnel provides adequate assistance (viz. data collection, survey, quotations and costs involved etc.) for the CSR Projects. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

IV. CSR CELL

The CSR Cell has been constituted to assist the CSR Committee with the implementation and impact assessment of the CSR initiatives. The CSR Cell comprises of the following:

Operations-incharge
Assistants

Role of the CSR Cell

The CSR Cell shall be responsible for:

- (i) Identifying CSR Activities at the directions of the Board and the CSR Committee;
- (ii) Undertaking impact assessment of the CSR Activities;
- (iii) Determining the modalities of execution including targets and timelines in consultation with the CSR Committee;
- (iv) Timely implementation of the CSR Activities approved by the Board in compliance with the applicable provisions of the Act and CSR Rules;



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- (v) Providing periodic reports to the CSR Committee on implementation as well as assessment carried out through field visits and feedback sessions; and
- (vi) Any other assistance as may be required by the Board and the CSR Committee in relation to implementation of the CSR Activities.

V. LIST OF ELIGIBLE PROJECTS, PROGRAMS AND ACTIVITIES THAT COULD BE UNDERTAKEN UNDER SCHEDULE VII

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach 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 centres 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 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) Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.



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- (x) Rural development projects
 - (xi) Slum area development.
1. The CSR Committee will emphasize on long term benefits to the society, while selecting the criteria/projects for the CSR activities.
 2. The Board shall ensure that appropriate designated staff or personnel provides adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
 3. The CSR Committee shall undertake sufficient due diligence of each of the CSR Activity before it is implemented.
 4. Based on the recommendations of the CSR Committee, the Board shall approve the following:
 - (i) The specific CSR Activities that should be undertaken from time to time;
 - (ii) The amount of the CSR Expenditure on each of the CSR Activity; and
 - (iii) Whether the CSR Activities will be undertaken directly or through an implementing agency or in collaboration with any other companies, including by availing services of any NGOs and record reasons for the same.
 5. Activities undertaken in pursuance of the normal course of AVG Logistics' business shall not be considered towards CSR Expenditure.

VI. CSR EXPENDITURE AND ALLOCATION

The Board shall approve the allocation of the CSR Expenditure on the CSR Activities and, to the extent possible, shall give priority to the local areas wherever AVG Logistics has its operations.

VII IMPLEMENTATION

1. Baseline survey would be conducted by the implementing agency and annual reviews shall be undertaken to ascertain the progress.
2. The Board along with the CSR Committee and the CSR Cell shall be responsible for implementation of this CSR Policy.



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3. By implementing the CSR Activities, we expect to make available the sustainable energy by the provision of solar power stations, elementary education through providing technology-aided group learning in an outdoor, computer literacy by the provision of learning stations and general literacy amongst the children, and the availability of the sanitation by the provision of functional toilets.

4. *Vehicle for implementation*

We may undertake the CSR Activities either ourselves or through other qualifying Non-government organizations ("NGOs") or agencies. The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode through the CSR Cell which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with NGOs and the other agencies for the purposes of implementation of the CSR Activity, in case the CSR Activity is proposed to be implemented through the third party agencies. The conditions of grant of amounts for all CSR Activities and the break-up of the allocations shall be set out and evaluated from time to time.

5. To the extent feasible, a project based accountability approach to stress on the long term sustainability of CSR Activities shall be adopted, and the indicative action plan and implementation schedule (timelines) for the projects, programs and activities shall be adopted.

VIII MONITORING MECHANISM

1. To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy, the progress of each such project, programme and activity will be reported to the CSR Committee on regular basis, with all requisite documentation.
2. Periodical report on implementation shall be submitted to the Board by the CSR Committee.
3. The CSR Committee will conduct impact studies on a periodic basis, through independent professional third parties/professional institutions.
4. The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

IX. IMPACT ASSESSMENT

1. Regular and interactive feedback sessions shall be conducted at all levels including with other NGOs through which CSR Activities are being undertaken as well as the respective beneficiaries of all the CSR Activities undertaken by us.
2. Field visits shall be conducted at regular intervals to ensure effective implementation.




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3. Proper documentation shall be done in an MIS format to record key observations of such feedback sessions and field-visits.
4. If deemed necessary by the CSR Committee, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.

X. REPORTING

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The CSR Committee shall prepare an annual report on CSR with such information and particulars as may be required by the Act and such report shall be included in the Board's report annexed to the financial statements.
3. The Board's report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rules.
5. The Board will be responsible to ensure that the statutory requirements as may be prescribed from time to time under the Act and the CSR Rules are complied with.

XI. GENERAL

1. Any surplus arising out of the CSR projects/programs or activities shall not form part of the business profits of the qualifying AVG Logistics company.
2. All administrative expenses, including expenditure on wages and salaries, tours and travels, and training and development of personnel deputed on CSR Activities would be borne from CSR funds.
3. If it is observed that any CSR Activity taken up for implementation is found not properly implemented, the CSR Committee may, with approval of the Board, may discontinue funding the project at any time during the course of implementation and use such funds for any other project.
4. The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this CSR Policy.

XII AMENDMENT

The CSR Committee is empowered to amend or modify the CSR Policy and such changes shall be placed before the Board for its approval. The Board may subject to compliance with applicable law, at any time approve or alter, amend or modify the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.

