

GATEWAY DISTRI PARKS LIMITED – CORPORATE SOCIAL RESPONSIBILITY POLICY

(as amended – March 2021)

The GDL Group believes in being part of the community where it has its businesses operations and making a significant and sustainable contribution which makes a meaningful difference to the community. Our vision is to contribute to the social and economic development of the community where we operate. Our CSR activities are guided by the provisions and rules under the Companies Act 2013.

Scope

This policy will be applicable to all activities undertaken under its Corporate Social responsibility and will be reviewed and updated regularly. This policy is in line with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments made thereunder.

Definitions :

- a) Act: Act means Companies Act 2013 including any amendment thereto;
- b) Administrative Expenses: Administrative Expenses means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- c) Company: Company means "Gateway Distriparks Limited" hereinafter termed as (GDL).
- d) Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the Companies (Corporate Social Responsibility Policy), Rules 2014 ("Rules") and Schedule VII of the Companies Act, 2013, as amended from time to time.
- e) Net Profit means the net profit as defined under the Companies Act read with Rules.
- f) NGO: NGO means Not for Profit Organization.
- g) 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, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
- h) CSR activities / projects: includes such activities as may be permitted under Companies Act, 2013 read with relevant rules and notifications, circulars, as amended from time to time.

Guiding principles

A) Selection of CSR activities

Over the last few years, GDL has been involved in various initiatives to promote education, improving sanitary conditions, community development etc. The Board of Directors and CSR Committee, take into account the following principles for selecting the CSR initiatives / activities:

- **Education:**
Promoting education and providing skill enhancement training by spreading digital awareness and computer knowledge
- **Rural development:**
Improve access by constructing roads, community halls etc.
- **Healthcare:**
Providing drinking water, creating awareness of water conservation, providing better sanitation facilities, eradicating hunger
- **Contribution to funds set up by Government:**
Contribution to funds set up by Central / State Government for socio-economic development and relief, research and development projects, contributions to public funded Universities,
- **Other Activities:**
Such other activities as may be permitted under Companies Act, 2013 read with relevant rules and notifications, circulars, as may be amended from time to time

B) Annual Action plan

The CSR Committee shall formulate and recommend an Annual action plan, every year, for approval of the Board. The Annual Action Plan shall include:–

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes, as specified in sub-rule (1) of rule 4 of the Companies (Corporate Social Responsibility Policy), Rules 2014;
- the modalities of utilization of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the company;
- empower the Board to alter any plan at any time during the financial year (based on the reasonable justification).

C) Implementation

GDL shall undertake projects / activities that are approved under Schedule VII of the Companies Act, 2013 read with relevant rules and notifications, circulars, as may be amended from time to time. CSR Committee, under the Board's guidance, shall govern and oversee the implementation of the CSR activities. CSR committee will regularly review the policy and recommend necessary changes in the policy to the Board.

In case of ongoing project, the Board 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.

GDL Board may decide to implement its CSR activities through

- the Company itself or .
- 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 (43 of 1961), 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; or
- 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.

While engaging with partners, GDL shall evaluate the credentials of the implementing entities and seek relevant documents, including registration with MCA for undertaking CSR activity.

GDL 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.

GDL 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 these rules.

GDL Board shall satisfy itself that the 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.

D) Budget

GDL shall allocate the amount specified under sub-section (5) of section 135 of the Act, as its Annual CSR Budget. While the Company shall make all efforts to spend the allotted funds on CSR, in the event of any amount of CSR allocation of a particular year remaining unspent/ unutilized shall be transferred to Unspent CSR Account or to a fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Any surplus arising out of the CSR activities shall not form part of the business profit 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.

In the event of GDL spending an amount in excess of requirement provided under section 135 (5), such excess amount shall be set off against the requirement to spend under section 135 (5) up to immediate succeeding three financial years subject to the conditions as provided in the Rules, from time to time.

GDL may utilize the CSR amount for creation or acquisition of a capital asset, in the manner provided in the Act /Rules, as amended from time to time.

E) Governance & Monitoring

CSR Committee shall ensure a transparent mechanism to review and monitor the progress of activities that are undertaken / completed, during any financial year. The Chairperson of the Committee shall submit a Progress report on the various initiatives undertaken, to the Board of Directors of the Company. The Committee will also ensure appropriate documentation of CSR Policy, annual CSR activities/ initiatives undertaken, along with details of Project wise expenditure.

F) Reporting

CSR activities and impact assessment reports (if any) shall be reported in the Annual report in the format prescribed in the Act or as per any other statutory reporting requirement, as prescribed from time to time.

G) Impact Assessment

In the event of the CSR obligation as derived under section 135 (5) of the Act, is Rs. 10 crores or more, in the three immediately preceding financial years, GDL shall undertake an Impact assessment, through an independent agency, of all such projects which has a budgeted outlay of Rs. 1 crore or more and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR.

Management Commitment

Our Board of Directors and our Management believe in making a difference to the society through positive action. Our Corporate Social Responsibility policy conforms to the Corporate Social Responsibility Guidelines spelt out by the Ministry of Corporate Affairs.