



## **J M BAXI PORTS & LOGISTICS LIMITED Limited**

(Earlier J M Baxi Ports & Logistics Private Limited

Earlier International Cargo Terminals & Infrastructuer Pvt Ltd.

Formerly 'United Liner Agencies of India Pvt. Ltd.')

Regd. Office: Godrej Coliseum, Office No. 801, 'C' Wing, Behind Everard Nagar,

Off. Somaiya Hospital Road, Sion East, Mumbai 400 022.

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

J M BAXI PORTS & LOGISTICS Limited ('the Company/ JMBPL') was established in 1947 as a wholly owned subsidiary of leading Scandinavian owners, namely Wilh. Wilhelmsen (Norway), Swedish East Asia (Sweden) and East Asiatic Co. (Denmark) with the primary business of ship agency and stevedoring. The Company was subsequently registered as a Private limited Company under the Companies Act, 1956. In the year 1972, the Company was acquired by the Kotak family which began its business operations since 1916.

The Company has its presence at all major Indian Ports and Inland Container Depots and is also in the business of operating Ship Agency, Cargo Consolidation, Ship Chartering, Container Leasing, Container Freight Station, etc.

### **Corporate Social Responsibility (CSR) Policy of the Company**

As a responsible corporate citizen of this society, the Company was aware of its Corporate Social Responsibility and was fulfilling the aspiration of the Society in the past, voluntarily through various philanthropic measures in the form of providing financial assistance for upliftment of needy people affected by natural calamities, poor and destitute. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc., the Company has proposed adoption of CSR as a strategic tool for sustainable growth. For the Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

### **CSR as statutory compliance**

The Ministry of Corporate Affairs, Government of India, vide its Notification No. 2\_2014 (1) issued on February 27, 2014, has notified the Companies (Corporate



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Social Responsibility Policy) Rules, 2014 read with Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility. As per Section 135 of the Companies Act, 2013, every company having net worth of Rupees five hundred crores or more, or turnover of Rupees one thousand crores or more or a net profit of Rupees five crores or more during any financial year, shall spend at least 2% of the average net profits of the company made during the immediately preceding three financial years. The Net Profits shall be determined in accordance with Section 198 of the Companies Act 2013 and the rules made thereunder. The Board of Directors of the Company needs to constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors. In case of listed Company, at least one director shall be an independent director.

These rules, which came into force on April 1, 2014, are applicable to the Company being a qualifying company.

### Introduction

The Business of Company and its subsidiaries are located in different parts of the country spread in different States. The Company's business has profound impact on the people living in and around the areas where the Company with its branches and its subsidiaries are established. The primary beneficiaries of CSR should be those staying within the radius of 50 Kms of the Company's (which includes its subsidiaries) various Project Sites including at Dronagiri (Navi Mumbai, Maharashtra), Sonapat (Haryana) and other places spreading over other states. Poor and needy section of the society living in different parts of India should be second beneficiaries. In the aforesaid backdrop, policy on Corporate Social Responsibility of the Company is broadly framed taking into account the following measures:-

- a) Welfare measures for the community at large so as to ensure the poorer section of the Society derive the maximum benefits.
- b) Taking care of land less and project affected / displaced persons.
- c) Contribution to the society at large by way of social and cultural



- development, imparting education, training and social awareness specially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- d) Protection and safeguard of environment and maintaining ecological balance.

#### **Areas to be covered**

The poor and needy Section of the Society living in different parts of India would normally be covered. Towards CSR activities, 50% of the budgeted amount should be spent within the radius of 50 Km of the Company's various work places and the balance 50% of the budget would be spent on CSR activities in other places beyond the areas covering above. CSR should be broadly executed by the Company as per budget formulated by the CSR Committee which may extend to initiate specific projects abroad, under special circumstances.

#### **Scope**

##### ***i. Education***

- Support to Technical/Vocational Institutions for their self- development.
- Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.
- Adult literacy especially amongst those belonging to below poverty line.
- Awareness programmes on girl education.
- Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
- Spreading legal awareness amongst people and disadvantaged sections of the society about their rights & remedies available.
- Promotion of Professional Education by setting up educational institutions, offering courses in Engineering, Nursing, Management, Medicine and in Technical subjects etc. The Company will ask for reservation of seats for the Company's nominated students considering their different aspects.



- Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get uninterrupted education.
- Provide cycle to needy girl students who are attending school in remote and distant areas.
- Providing of Scholarship to the poor and meritorious Students especially to the students of the wards of Land Oustees'/displaced persons', Reimbursement of tuition fees, Hostels fees (Accommodation charges), etc.

#### **ii. Water Supply including drinking water**

- Installation/Repair of Hand Pumps/Tube Wells.
- Digging/Renovation of Wells.
- Gainful utilization of waste water from Under-ground Mines for cultivation or any other purpose.
- Development/construction of Water Tank/Ponds.
- Rain water-harvesting scheme.
- Formation of a Task Force of Volunteers to educate people regarding proper use of drinking water.
- Empowerment to the villagers for maintenance of the above facilities for availability of water.

#### **iii. Health care by providing Indoor medical facilities and medicines**

- Prevention of social evils like alcohol, smoking, drug abuse etc.
- Child and Mother care.
- Diet and Nutrition.
- Blood donation camps.
- Family Welfare.
- Senior Citizen Health Care Wellness Clinics.
- Fully equipped Mobile Medical Vans.
- To supplement the different programme of Local/State Authorities.



#### **iv. Environment**

- Organizing sensitizing programmes on Environment Management and Pollution Control.
- Green belt development .
- Afforestation, Social Forestry, Check Dams, Park.
- Development of jobs related to agro product i.e., Dairy/Poultry/farming and others.
- Plantation of saplings producing fruit.
- Animal care.

#### **v. Social Empowerment**

- Self /Gainful Employment Opportunities – Training of Rural Youth for Self Employment .
- To provide assistance to villagers having small patch of land to develop mushroom farming, medicinal plants, farming & other cash crops to make them economically dependent on their available land resources. Training may be provided by agricultural experts for above farming.
- Organizing training programmes for women on tailoring Embroidery designs, Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other Vocational Courses.
- Care for senior citizens.

#### **vi. Infrastructure for Village Electricity/Solar Light etc. (Recurring expenditure should be borne by the beneficiaries)**

- To develop infrastructural facilities for providing electricity through Solar Lights or alternative renewal energy to the nearby villages. Recurring expenditure should be borne by the beneficiaries.



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**vii. Sports and culture**

- Promotion of Sports and Cultural Activities for participation in State and National level.
- Promotion/Development of sports activities in nearby villages by conducting tournaments like Football, Cricket, Hockey, Volleyball, Kabaddi, and others, etc.
- Providing sports materials for Football, Volleyball, Hockey sticks etc. to the young and talented villagers.
- Promotion of National level teams. Sponsorship of National Sports events.
- Sponsorship of Cultural event to restore Indian Cultural Traditions and Values.
- Possibility of providing facilities for physically handicapped persons may be explored.

**viii. Generation of employment & setting up Co-operative Society .**

**ix. Infrastructure Support .**

**x. Grant/donation/financial assistance/sponsorship to reputed NGOs of the Society/locality doing/involve in up-liftment of the standard of the society.**

**xi. Development of Heritage sites in the CSR purview ensuring involvement of Company's employee's as representatives in this Project.**

**xii. Empowerment of women for education/health & self-employment.**

**xiii. Relief of victims and Natural Calamities like Earth Quake, Cyclone, Draught and Flood situation in any part of the country.**

**xiv. Disaster Management Activities including those related to amelioration/ Mitigation.**

**xv. Adoption of village for carrying out the activities like infrastructural development e.g. Road, water supply, electricity and community center etc.**



The above list is illustrative and not exhaustive. The CSR Committee shall be authorized to consider CSR activities not falling in this list. All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society.

#### **Objective**

The main objective of CSR policy is to lay down guidelines for the companies to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. Company will act as a good Corporate Citizen, subscribing to the principles of Global Compact for implementation.

#### **CSR Committee**

The CSR Committee shall be entrusted with all such powers, as are necessary to enable it to identify, implement and monitor the implementation of the CSR activities. The composition, terms of reference and roles and responsibilities of the CSR Committee shall be as defined under the Companies Act, 2013 read with rules and regulations made thereunder from time to time. The Board shall undertake CSR projects or programs in pursuance of the recommendation of the CSR Committee.

#### **CSR Budget**

- a) Every year, budget for CSR activities shall be as decided by the Board on the recommendation of the CSR Committee.
- b) The Company shall spend on Corporate Social Responsibility activities in each of the financial years, where the Company is mandated to make CSR expenditure. Subsequent to the Boards' approval, the Committee shall



ensure that the Company allocates and spends at least 2% of the average net profits of the Company made during the last 3 (three) financial years, on CSR activities. The Net Profits shall be determined in accordance with Section 198 of the Companies Act 2013 and the rules made thereunder.

#### **Organizational Mechanism**

- a) The identified CSR activities may be undertaken by the Board on the recommendation of CSR Committee through a Registered Trust (NGO) or a Registered Society and/or by the Company and/ or its holding and/or subsidiary and/or associate company.
- b) The Company may collaborate and pool its resources with any other entity in the group or otherwise to achieve the identified CSR objectives.
- c) CSR Committee to ensure implementation of CSR objectives as may be decided by the Board from time to time.
- d) CSR Committee may appoint one or more senior officials from HR/Admin and/or Project Department at group level and nominate one of them to be the Nodal Officer for monitoring implementation of CSR activities of the group and the Company in particular. Such Nodal Officer shall report to the CSR Committee on their observations from time to time.

#### **Expenditure on CSR and Reporting**

- a) The CSR Committee shall ensure that the budgeted amount is spent in accordance with the Policy of the Company. If in any financial year the Company fails to spend the budgeted amount, the CSR Committee shall inform the Board the reasons and the Board shall review and specify the reasons for not spending the amount in the Board's Report.

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- b) All administrative expenses including expenditure on wages & salaries, tours and travels, training & development of personnel deputed on CSR activities would be borne from CSR funds.
- c) Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company. Such surplus, if remained unspent will form part of CSR corpus for CSR spending in the subsequent periods.
- d) The CSR report for the initiatives undertaken for every financial year shall be presented by the CSR Committee to the Board for its review and inclusion in the Board's Report.

### **Implementation Strategy**

- a) The activities can be implemented by the Company either directly or through registered Trusts/Society for various activities covered hereinabove.
- b) The activities which cannot be undertaken by the Company because of its nature, size and other limitations shall be considered for implementation through Trust, NGO, Society or other alternatives.
- c) The proposals of the CSR Projects of long duration focusing on overall sustainable development in a given time frame requiring a dedicated team and full time attention shall be considered for implementation through Trusts/NGOs/voluntary organizations.
- d) It shall be the responsibility of the Nodal Officer to obtain from Trusts/NGOs proper bills and receipts/documentary evidence in support of the work completed.



### **Monitoring mechanism**

- a) The implementation of CSR initiative be monitored as stated above, the Committee shall also review the extent of benefits derived by the beneficiaries from the CSR initiatives of the Company and recommend suggestions to the Board, if any, needed to render the CSR initiatives more effective.
- b) All CSR activities and expenses made thereon will be subject to audit by the Company's Auditors.

### **Display of CSR Policy on website of the Company**

Once approved by the Board, the Company's CSR Policy will be displayed on the Company's website.

(approved by the Board of directors of the Company at its meeting held on 30th July, 2014)