



Central Warehousing Corporation
केंद्रीय भंडारण निगम



Corporate
Social
Responsibility



CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY (CSR&S) POLICY

1.0 PREAMBLE

- 1.1. A responsible corporate citizen since inception, Central Warehousing Corporation (hereinafter called CWC) envisions to emerge as a leading market facilitator by providing integrated warehousing infrastructure and other logistics services, supporting India's growing economy with emphasis on stakeholder satisfaction.
- 1.2. It is guided by its mission "to provide reliable, cost-effective, value added and integrated warehousing and logistics solutions in a socially responsible and environment friendly manner."
- 1.3. Committed to Sustainable and Inclusive growth of the society, Corporation has adopted guidelines issued by DPE on CSR and Sustainability vide OM dated 21.10.2014 along with provisions contained in Section 135 of Companies Act, 2013, Schedule-VII of the Act and CSR Rules, 2014 and amended up to 2021 as Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and any amendment made thereafter.
- 1.4. This CSR Policy provides the approach and direction given by the board of Directors of CWC, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- 1.5. In view of the policy directives, CWC commits itself to contribute to the society through initiatives that have positive and prolonged impact on society at large by improving the quality of life of the people, promoting Inclusive Growth and Environmental Sustainability.

2.0 CSR VISION & MISSION OF CWC

2.1 CSR VISION

“Inclusive growth of society with attention to People, Planet and Philanthropy”

2.2 CSR MISSION

Inclusive growth of society with attention to development of weaker section of society and aspirational districts of country in alignment of national priorities.

This will include activities in the fields of:

- (i) Providing safe drinking water, healthcare & sanitation
- (ii) Promotion of education / skill development programmes
- (iii) Empowering women, differently-abled and economically backward groups.
- (iv) Infrastructural development.

3.0 CSR GUIDING PRINCIPLES

- 3.1 Strive to improve standard of living of society at large, with preference to Aspirational Districts of India.
- 3.2 Promote inclusive growth by focusing on needs of the deprived, under privileged, neglected and weaker sections of the society especially women, girl child, physically challenged and elderly persons.
- 3.3 Contribute towards clean and sustainable development by protecting & maintaining the environment (air, soil and water), conserve natural resources, support biodiversity conservation and promote renewable energy.
- 3.4 Integrate and align CSR & Sustainability initiatives with National Development plans and priorities.

4.0 CSR SCOPE AND COVERAGE

4.1 This Policy for CSR & Sustainability applies to formulation, implementation, monitoring, evaluation, documentation, reporting of CSR and sustainability activities taken up by CWC anywhere in India.

4.2 This policy does not cover activities undertaken in pursuance of CWC's normal course of business and activities exclusively for benefit of CWC's employees or their family, as the same are not considered as CSR & Sustainability activities.

4.3 The Corporate Social Responsibility Policy (hereinafter referred as CSR policy) of CWC, is issued within the framework mentioned hereunder:

- a) Section 135 read with Schedule-VII of the Companies Act, 2013 and The Companies (CSR Policy) Rules 2014 as amended up to CSR Amendment Rules 2021 and any amendments made thereafter (hereinafter referred as Act).
- b) Policy directions issued by Ministry of Corporate Affairs, Department of Public Enterprises, Ministry of Finance, administrative ministry of CWC and any other policy directions on the subject issued by the Government from time-to-time.
- c) Any amendments made under the applicable provisions of Companies Act & Rules framed thereunder on the subject shall be deemed to be part of this policy document.
- d) In case of any conflict between the CSR policy and provisions of Companies Act and CSR Rules as amended from time to time, the provisions of Companies Act and CSR Rules as amended from time to time shall prevail.

5.0 CSR ACTIVITIES

5.1 CSR & Sustainability programs undertaken by CWC shall be in compliance of activities specified in Schedule VII of the Companies Act 2013 and Rules framed thereunder.

- 5.2 Projects / Programs identified by the Regional Manager or received from various government agencies or local representatives at regional office/corporate office level should be submitted to CSR section at Corporate Office, New Delhi. The Projects/programs approved by the Board of Directors on the recommendation of CSR committee of the board will be made a part of the policy document uploaded on the CWC website.
- 5.3 Budgets will be allocated for CSR projects through a process incorporating identification of suitable beneficiaries, need assessment (where ever required) and clear outlining of desired outcomes of CSR projects. The CSR projects / programs / initiatives, to be undertaken must fall within the purview of the Schedule – VII of the Companies Act, 2013 (as amended from time to time).
- 5.4 Opportunities for complementing / supplementing Government initiatives / programmes will be explored. However, funds will not be deposited in Government accounts except where the Act / Rules/ Policy guidelines and directions issued by Government of India specify such allocation.
- 5.5 CWC will lay emphasis on the sustainability of its projects / programmes to ensure they remain relevant and viable even upon disengagement at the end of the project period.
- 5.6 CWC will explore possibilities for collaborating / co-operating with other Corporate / National / Multi- lateral / Bi-lateral Agencies in order to synergies its efforts and increase both financial resources as well as outcomes and impact in such a manner that the CSR Committee is in a position to report separately on such projects or programmes in accordance with the rules.
- 5.7 CWC may also consider participation in larger Projects / Programmes where more than one Corporate / National / Multi-lateral / Bi-lateral Agency is involved in such a manner that the CSR Committee is in a position to report separately on such projects or programmes in accordance with the rules.

6.0 CSR BUDGET AND CSR EXPENDITURE

- 6.1 CWC will ensure that in each Financial Year (FY), at least two percent of the average net profit (calculated as per Section 198 of the Companies Act 2013) accrued during the three immediately preceding Financial Years is spent on CSR activities / projects / programs. The Board of Directors will satisfy itself that the funds disbursed have been utilized for the purposes and in the manner as approved by it and the Director (Finance) shall certify to the effect.
- 6.2 In an event where CWC makes any surplus or profit from pursuing the CSR projects / programmes, these will not form part of the business profit but will, instead 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 transferred to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- 6.3 In an event where CSR expenditure is in excess of requirement as per section 135 of Companies Act, 2013, such excess amount may be set-off against the requirement to spend as per Section 135 of Act, up to immediate succeeding three financial years subject to the condition that :
- (a) This excess amount shall not include any surplus arising out of CSR projects; and
 - (b) Board of Directors shall pass a resolution to this effect
- 6.4 Any capital asset created/acquired out of CSR funds shall be held by a company established under section 8 of the Companies Act, 2013, or a registered Public Trust or Registered Society having charitable objects and CSR Registration Number, or beneficiaries of the said project, in the form of self- help groups, collectives, entities or a Public Authority as defined in in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005).
- 6.5 Expenditure towards Impact Assessment will be booked towards Corporate Social Responsibility.

6.6 The Below Board Level CSR Committee, consisting of senior level officers studies the CSR proposals in detail and after detailed scrutiny & deliberation, approves the budget in two installments i.e. 50% of the Budget is released as 1st installment and 2nd installment is released after “Work/Project verification” details are received. These verifications are done by the nearby Warehouse Managers/Officials deputed by the Regional Managers on the basis of the completion report forwarded by the concerned organizations.

7.0 CSR IMPLEMENTATION MECHANISM AND PROCESS:

7.1 Towards fulfillment of its commitments for CSR & Sustainability related activities, CWC has adopted following mechanism:-

- (a) Projects / Programs identified by the Regional Manager or received from various government agencies or local representatives at regional office/corporate office level submitted to CSR section shall be placed by CSR section of Corporate office to the Below board Level CSR committee.
- (b) **Below Board Level CSR Committee:-** All CSR related proposal are received and scrutinized by a Below Board Level Committee constituted in the organization by taking into consideration details of the project e.g. the impact of the project, cost of the project, number of beneficiaries, area where these activities are undertaken, alignment with the CSR provisions etc.
- (c) **Board Level CSR & Sustainability Committee:-** As per the provisions contained in Section-135 of Companies Act, BoD has constituted a Board level CSR & Sustainability Committee. The Board level Corporate Social Responsibility & Sustainability Committee comprising at least three Directors with at least one Independent Director. This committee monitors from time to time the Policy for Corporate Social Responsibility & Sustainability approved by the Board.

7.2 CWC will endeavor at all times to build and develop the skills of its CSR team and enhance level of CSR awareness within the organization and may also engage International Organizations for capacity building of its own CSR personnel.

8.0 MONITORING & EVALUATION

8.1 In case of ongoing project, the Board of Directors will 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.

8.2 A comprehensive Monitoring mechanism will be devised by CWC to ensure that the CSR process functions as mandated by the Act and the Rules, ensuring that all Projects / Programmes are duly implemented as budgeted. The monitoring system devised will include:

- Regular field visits to Project / Programmes sites by designated teams;
- Comprehensive documentation / compilation of Field Reports;
- Regular interaction with beneficiary communities to obtain feedback;
- Monitoring of timely fund utilization to ensure that Projects / Programmes as budgeted are actually being carried out and/or
- Any other activity that the CSR Committee may deem necessary in the larger interest of its CSR initiatives.
- The monitoring of the projects shall be carried out and quarterly report shall be submitted to the CSR Committee.

9.0 IMPACT ASSESSMENT/EVALUATION OF CSR

9.1 In order to assess the impact of its CSR Projects and Programmes, maximize outcomes and build- in sustainability, scalability and replicability, CWC shall undertake the following activities:

- Impact Assessment, through an independent agency, of the CSR projects having outlay of Rs. 1 Cr. or more and which have completed not less than one year before undertaking the impact study.
- Placing before the Board, the Impact Assessment reports and annexing the same to the annual report on CSR.

10.0 REPORTING

10.1 CWC will make a full report of its CSR projects / programmes undertaken during the previous year in the format prescribed for the “Annual Report on CSR Activities to be included in the Board’s Report” in the Companies (CSR Policy) Amendment Rules, 2021.

10.2 Annual Sustainability Report shall report the annual CSR and Sustainability Development achievements, agenda and initiatives undertaken during the year.

11.0 DISCLOSURE

11.1 CWC shall comply with provisions of Section 135 and rules framed thereunder and make disclosure of its CSR Policy, Strategy, Projects / Programmes, Activities, monitoring mechanism, Implementing Agencies, Expenditure details as well as the composition of the CSR Committee of the Board on the corporate website of CWC i.e. www.cewacor.nic.in.