

Corporate Social Responsibility Policy (CSR Policy)

Godrej Consoveyo Logistics Automation Limited
(Formerly Godrej Efacec Automation and Robotics Limited)

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1. Preamble

Over the last 21 years, **Godrej Consoveyo Logistics Automation Limited (GCLA)** (Formerly Godrej Efacec Automation and Robotics Limited), has led the Indian logistics industry. We are the market leader in the Automated Warehousing Solutions segment with 70+ projects.

Being a joint venture company allows us to bring world-class technology at competitive prices. Our intra-logistic automation focuses on Manufacturing Logistics and Distribution logistics.

We are into design, manufacturing and supply of automated storage and retrieval systems for pallets and totes for heights up to 30 meters which delivers high throughput, high storage density and inventory management.

2. Purpose

The purpose of this Policy is to:

- Define its strategic CSR Policy
- Define the statement of intent reflecting the ethos of the company
- Define the projects/programmes and specific activities to be undertaken by the Company during the implementation year that are in consonance with the Company's vision and goals
- Define the implementation and monitoring process for CSR activities
- Shed light on the manner in which surpluses from CSR projects will be treated

3. Scope of CSR activities in the company

This CSR Policy applies to all projects/programmes undertaken by the Company as a part of our CSR initiative, and the CSR Policy will be further developed, reviewed, amended or updated as and when required by the Company.

In terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Policy relates to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, as projects or programs or activities (either new or ongoing) and the expenditure thereon, excluding activities undertaken in pursuance of its normal course of business.

4. Goals of GCLA

The Company proposes to implement its CSR activities in various sectors as below:

- Employment enhancing vocational skills
- Promoting gender equality
- Road Safety projects
- Empowering women
- Livelihood enhancement projects
- Eradicating hunger, poverty and malnutrition
- Promoting preventive healthcare and sanitation
- Promoting education
- Setting up old age homes
- Ensuring environmental sustainability
- Measures for the benefit of armed force veterans, war widows and their dependents
- Promoting nationally recognized and Olympic sports
- Contribution to the Prime Minister's Relief Fund
- Contribution to technology incubators located within academic institutions
- Rural development projects
- CSR projects as per Schedule VII, of the Companies Act, 2013

5. CSR Committee

To incorporate CSR projects in a corporate structure, the Board of Directors have constituted a CSR Committee in terms of Section 135 of the Companies Act, 2013.

5.1 Members

1. Mr. A. G. Verma (Chairman)
2. Mr. A. M. Visvanathan
3. Mr. Panagiotis Papamanoglou

The Company Secretary will serve as the Secretary of the CSR Committee.

5.2 Responsibilities

- Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- Recommend CSR activities as stated under Schedule VII of the Companies Act, 2013

- Approve to undertake CSR activities in collaboration with Group companies/ other Companies/firms/NGOs etc. and to separately report the same in accordance with the CSR Rules
- Recommend the CSR Budget
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- Create transparent monitoring mechanism for implementation of CSR Initiatives in India
- Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- Monitor CSR Policy from time to time
- Authorize executives of the Company to attend the CSR Committee Meetings

6. CSR Spend

The CSR Budget of the Company, in every financial year, would be at least 2% of its average net profits during the three immediately preceding financial years as per the guidelines prescribed under Section 198 of the Companies Act, 2013 or such higher amount, if approved by the Company. The total CSR Spends will be decided as a part of the Annual Operating Plans, in accordance with the goals and priorities identified for each of the different pillars by the CSR Committee.

7. Project Life Cycle

The CSR projects of the Company are strategically planned and managed. Following are a few stages of a project:

7.1 Project Selection

The Company would conduct projects in India especially around the areas of operation. The Company will undertake a need assessment study to understand the social and environmental needs by its own or may hire an External Agencies to do on behalf of the Company.

7.2 Project Approval

The projects suggested by External Agency in consultation with the CSR Team of Godrej & Boyce Mfg. CO. Ltd. be presented for the approval of the Board-level CSR Committee. Budgets will be finalized and disclosed at the beginning of every financial year.

7.3 Implementation

The CSR projects of the Company will be implemented either by itself or with the help of implementation agencies.

7.4 Monitoring

The Company will continuously monitor and ensure transparency in the implementation of the CSR projects through site visits, meetings and progress reports etc. This will be done based on the milestones and success indicators, defined for the project, together with the implementing agency. It will be the responsibility of the implementing agency to provide the project progress report on a periodic basis. These will be submitted to the CSR Committee at their meetings.

7.5 Reporting

The Board-level CSR Committee, based on reports presented by the implementing agency, will annually publish a report on the CSR projects as part of the Board's report. The report will disclose information in the format as prescribed by Section 135 of the Companies Act, 2013.

8. Treatment of Surplus

Surpluses generated from CSR activities undertaken by the Company will be tracked and channelized into our CSR corpus. They will be used in the further development of these CSR initiatives, and will not be added to the normal business profits of the Company.