



Better Products. Better Life.

**GEMINI EDIBLES & FATS INDIA  
PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

## **A. Introduction**

Gemini Edibles & Fats India Private Limited has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives in the past and enhanced value in the society.

With the advent of the Companies Act, 2013, constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company seeks to formulate a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

## **B. CSR Object**

The Company channelizes its CSR activities with the its guiding principle ***“Giving back to the society, for all the years of care, support and nurturance that is being bestowed upon the organization”***.

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behavior which is:

- (a) consistent with sustainable development and welfare of society,
- (b) takes into account the expectations of stakeholders,
- (c) is in compliance with applicable law, and
- (d) is uniformly integrated and practiced throughout the Company.

## **C. Scope**

In furtherance of its CSR objects, the following are covered under this Policy:

- i. CSR activities implemented by the Company on its own,
- ii. CSR activities of the Company through an external trust/society.

## **D. Definitions**

In this Policy, unless the context otherwise requires:

1. “Act” shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.
2. “Administrative Overheads” means the expenses incurred by the company for ‘general management and administration’ of CSR functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project / programme.
3. “Agency” (or Agencies) means any Section 8 Company or a registered trust/ society/NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company.
4. “Approved Budget” shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
5. “Board” shall mean the Board of Directors of the Company.
6. “Company” shall mean Gemini Edibles & Fats India Private Limited and wherever the context requires, shall signify the Company acting through its Board.
7. “CSR Annual Plan” shall mean the annual plan detailing the CSR expenditure for the year.
8. “CSR Committee” shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors.
9. “CSR expenditure” means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, including the following:
  - i. contribution to CSR Projects which shall be implemented and/or executed by the Company;
  - ii. contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by its Trust or Society; and
  - iii. contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by an Agency.
  - iv. Any other contributions covered under Schedule VII.

Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR expenditure.

9. “CSR Policy” shall mean the present Corporate Social Responsibility Policy of the Company, which covers the approach and direction given by the Board of the Company and includes guiding principles for selection, implementation and

monitoring of activities as well as formulation of the annual action plan.

10. "CSR Projects" or "Projects" means Corporate Social Responsibility projects/ activities/ programs/ initiatives, instituted in India, either new or ongoing, and include, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company.

Projects/activities/ programs/ initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

11. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
12. "Net profit" shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.
13. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.
14. "Society" means a Society formed and registered under the Societies Registration act, 1860 by the Company.
15. "Thrust Areas" shall have the meaning as ascribed to them as per provision E of the Policy.
16. "Trust" means a Trust created and registered under the India Trusts Act, 1882 by the Company.
17. "Unit" shall mean each of the following:

- Krishnapatnam Plant
- Kakinada Plant
- Kakinada 3 Plant
- Corporate Office - Hyderabad

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

#### **E. Thrust Areas:**

While the Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII of the Act, which are detailed as follows; however, at present, it will undertake the relevant activities on priority basis.

##### **1.1 Community healthcare, sanitation and hygiene, including, but not limited to:**

- (1) Establishment and management of state-of-the-art healthcare infrastructure with high level of excellence.
- (2) Providing financial and/or other assistance to the Agencies involved in

- exclusive medical research, public health, nursing etc.
- (3) Providing financial assistance to deserving people for specialized medical treatment in any medical institution.
  - (4) Activities concerning or promoting:
    - a. General health care including preventive health care
    - b. Safe motherhood
    - c. Child survival support programs
    - d. Health / medical camps
    - e. Better hygiene and sanitation
    - f. Adequate and potable water supply, etc.

**1.2 Education and knowledge enhancement, including, but not limited to:**

- (1) Establishment and management of educational and knowledge enhancement infrastructure.
- (2) Providing financial and/or other assistance to the needy and/or deserving students.
- (3) Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
- (4) Facilitate enhancement of knowledge and innovation in the educational Agencies.
- (5) Contribution to technology incubators located within academic institutions which are approved by the Central Government.

**1.3 Social care and concern, including, but not limited to:**

1. Promoting Gender equality, empowering women and creating Public awareness.
2. Protection and upgradation of environment including ensuring ecological balance and related activities.
3. Rural development projects.
4. Eradicating hunger and malnutrition
5. Others:
  - a. Setting up of orphanages, old age homes, and such other facilities of Senior Citizens and institutions of similar nature.
  - b. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
  - c. Other humanitarian activities.

1.4 Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development of the society.

1.5 Disaster Management, including relief, rehabilitation and reconstruction activities.

## **F. Identification of CSR Projects:**

1. CSR Projects need to be identified as per above set parameters and initial proposal to be submitted before Company Secretary for screening / validation to ensure the proposal is within the thrust areas as set out in this policy with estimated expenditure and phase wise implementation schedules.
2. The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR projects in other areas.
3. As a cardinal principle, the CSR Projects in Thrust Areas shall be identified on the basis of a detailed assessment survey.
4. The CSR Committee may engage external professionals/firms/agencies if required, for the purpose of identification of CSR Projects.

## **G. Implementation of CSR Projects (other than Contribution to Specified funds)**

The Company shall implement the identified CSR Projects by the following means:

### **I. Direct Method**

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Thrust Areas as defined in the Policy;
2. The Company may also implement the identified Projects presently through its Trust or Society which is involved in CSR activities, within the scope and ambit of the Thrust Areas as defined in the Policy.
3. The CSR Committee may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.
4. The Company may collaborate with other companies, including its Group Companies if required, for fulfilling its CSR objects through the Direct method, provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.

### **II. Indirect Method**

The Company may implement the identified CSR Projects through Agencies, subject to the condition as per below: -

#### **A. Private Agency**

- a. The Agency has an established track record of at least three years in undertaking similar programs or projects, (a self-certification and

details of the activities carried out in last 3 years essential to satisfy the clause).

- b. An upfront certification from the Agency to the effect that the proposed project is covered under the Clause \_\_\_\_\_ of Schedule VII of the Companies Act, 2013.
- c. While screening the proposal, it should be ensured that the proposed activities in the proposal are covered within the scope and ambit of thrust areas as defined in this policy.
- d. The Company need to ensure the modalities of utilization of funds on such Projects and set up the monitoring and reporting mechanism which shall be at least Weekly / Monthly / Quarterly depending upon the tenor of the projects.
- e. Certificate for completion of project to be obtained with complete details (documentary proofs / calculations etc.. /pamphlets/ newspaper cuttings/photographs etc...)

**B. Governmental or UN / International dedicated Agency of same repute**

- a. An upfront certification from the Agency to the effect that the proposed project is covered under the Clause \_\_\_\_\_ of Schedule VII of the Companies Act, 2013 should accompany the proposal.
- b. While screening the proposal, it should be ensured that the proposed activities in the proposal are covered within the scope and ambit of thrust areas as defined in this policy.
- c. Certificate for completion of project to be obtained with complete details (documentary proofs / calculations /pamphlets/ newspaper cuttings/photographs etc...)

The Company may collaborate with other companies, including its holding and subsidiary Companies and Group Companies if required, for fulfilling its CSR objects through the indirect method provided that the CSR Committees of respective companies are in a position to monitor separately such Projects.

**H. Monitoring**

Monitoring process for CSR Projects shall include the following:

- a. Evaluation of Planned progress V/s Actual Progress
- b. Actual expenditure V/s expenditure as per Approved Budget

## **I. Fund Allocation and Others**

### **A. Fund Allocation**

1. The Company, in every Financial Year, shall endeavor to spend the feasible amount, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years.
2. The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
  - a. List of identified CSR Projects
  - b. Manner of execution as specified in Rule 4(1), ie.. to be executed by company or through any agency or trust or any other permitted entity
  - c. CSR expenditure, Implementation Schedules, and monitoring and reporting mechanism.
  - d. Details of need and impact assessment, if any, for the projects undertaken by the company.
3. Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee
4. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134.

### **B. Others**

1. The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects in the Thrust Areas. However, there shall not be any preference given to any particular Thrust Area for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.
2. Mr. Pradeep Kumar Chowdhry, Managing Director and Mr. Govind Ambady, Director of the Company are authorized severally to decide on Projects to be implemented through the Indirect Method within the allocation as per the Annual Plan.
3. Any surplus arising out of the CSR Projects shall not form a part of the business profit of the Company.
4. The Company may build CSR capacities of their own personnel or personnel of its Trust or Society, as well as those of the Agencies through institutions with established track records of at least three Financial Years but such expenditure shall not exceed 5% of the Approved Budget of the Company in



one Financial Year.

**J. Duties and responsibilities**

**i. Board of Directors**

- a. The Board shall satisfy itself that the funds disbursed under CSR initiatives have been utilized for the purposes and the manner as detailed in the policy and as approved by it.
- b. The Board shall take on record a certificate from the Chief Financial Officer of the Company on the utilization of the funds toward the CSR initiatives as per Boards directions.
- c. The Board shall ensure that administrative overheads shall not exceed 5% of total CSR expenditure of the company for the given FY.
- d. The Board shall ensure to disclose following on Company website
  - i. CSR Policy
  - ii. Composition of CSR committee
  - iii. List of activities approved by the Board under CSR initiatives.
- e. The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules.

**ii. Chief Financial Officer**

To provide an annual certificate to Board of Directors confirming the utilization of funds basis Board directions.

**iii. CSR Committee**

- i. The CSR Committee shall monitor the implementation of the CSR Policy and annual CSR Plan. For this purpose, the CSR Committee shall meet at such intervals as it may deem fit or at least once in a year.
- ii. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- iii. The CSR Committee shall place before the Board the details of CSR Expenditure incurred during the year for Boards review and ratification.

**K. Review Periodicity and amendment:**

- i. CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit.
- ii. The CSR Committee shall review the Policy as and when necessary.

**L. Record Keeping and SOP**

- i. All approved proposals to be kept in a separate file with Company Secretary office.
- ii. Copy of the proposals to be passed for making payments and accounting to respective teams by proposer.
- iii. Completion certificates with details to be maintained with Company Secretary office which will also ensuring monitoring the status of such documents.
- iv. Newspaper reports / Advertisements / Opening Ceremony photographs to be maintained at/with respective plants / marketing teams and handed over to Company Secretary office along with project appraisal report.
- v. Every 15<sup>th</sup> of month the consolidated status reports of all projects to be shared with designated team by Company Secretary office,

**Date:**

**Authorized Signatory**