

# CORPORATE SOCIAL RESPONSIBILITY POLICY

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## **1. Preamble**

Greatship (India) Limited (Greatship) has always been conscious of its role as a good corporate citizen, and has hitherto striven to fulfill this role by running its business with utmost care for the environment and all the stakeholders. This includes honesty and integrity in all its dealings with customers, vendors, employees and most importantly the government. This commitment is a critical cornerstone on which the Company was built and upon which it continues to grow.

It is Greatship's intention to increase the scope of its Corporate Social Responsibility (CSR) activities to cover other ways to give back to society.

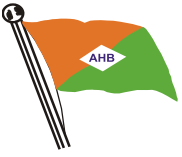
Greatship's CSR policy has been developed in consonance with Section 135, Companies Act 2013 on CSR and accordance with CSR rules notified by the Ministry of Corporate Affairs, Government of India. It shall apply to all CSR Projects/Programmes undertaken by the Company as per liberal interpretations of activities listed in Schedule VII of the Act, within the geographical limits of India alone, towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment.

## **2. Vision Statement and Objective**

For Greatship, CSR means responsible business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled. This policy, which has been formulated in alignment with the vision of the company, lays down guidelines and mechanisms to be adopted by the Company in order to carry out CSR Projects/Programs.

The objectives of this policy are to –

- Demonstrate commitment to the common good through responsible business practices and good governance.
- Actively support the state's development agenda to ensure sustainable and equitable change.
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.



- Engender a sense of empathy and equity among employees of Greatship to motivate them to give back to the society.

The structure for identification of these causes, and the modalities of the investment in these causes, are spelled out in detail in the following sections.

### **3. CSR Amount**

In every financial year starting 2014-15, Greatship will spend **at least 2% of the average profits over the past three financial years** on Corporate Social Responsibility (CSR) causes. The CSR spend/investment for each year will be approved by the CSR Committee and the Board will be kept informed.

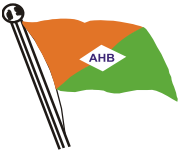
In the event that the amount indicated above is not spent in its entirety in that FY, the reasons thereof will be outlined in the Board's CSR report, as per Section 134 (3) (o).

In the event where the company makes any surplus or profit from pursuing its CSR projects/programmes, these will not form part of the business profit (but will instead, be carried forward to the following year/s as part of either the CSR corpus or as a supplement to the budget).

### **4. Focus Area**

The Company's CSR efforts will be focused in the areas of:

1. Promoting education and knowledge enhancement, including but not limited to:
  - a. Establishment and management of educational and knowledge enhancement infrastructure.
  - b. Provision of financial or other assistance to the needy and/or deserving students.
  - c. Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
  - d. Contribution to technology incubators located within academic institutions which are approved by the Central Government.
2. Eradicating hunger, poverty, and malnutrition
3. Promoting health care and sanitation



## **5. Planning and Implementation**

Implementation of the Greatship's CSR strategy will involve several steps, as outlined below, and will be the responsibility of Greatship. Alternatively, it may be implemented through a Foundation that may be set up for the purpose along with the parent company, The Great Eastern Shipping Co. Ltd.

### **Selection of Projects/Programs**

1. Partner Organizations (PO) engaged in the aforementioned focus areas will be identified.
2. Post preliminary meetings with representatives from these organizations, POs will be required to send in detailed project proposals.
3. Projects will be rated in terms of cost, feasibility, scalability and impact.
4. Representatives will schedule and conduct scoping visits to the sites.
5. Following this, a Project Identification Report will be presented to CSR Committee.

## **6. Board and CSR Committee**

### **The Board:**

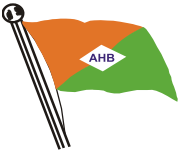
The Board of Greatship will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee
- Ensuring, through the CSR Committee that in each financial year the Companies spends at least 2% of the average net profit of the Company (excluding profits arising from overseas branches) made during the three immediately preceding financial years.
- Ensuring, through the CSR Committee, that every financial year funds committed by the Company for CSR activities are utilized effectively.
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.

### **The CSR Committee:**

The Board of Directors of the Company has constituted a Committee of Directors, known as the Corporate Social Responsibility (CSR) Committee. The functions of the Committee will be as follows:

- Formulate and recommend the CSR policy of the Company
- To recommend to the Board the structure for carrying out CSR activities
- To set the Company's CSR budget for each year



- To monitor the CSR activities of the Company, and report on it to the Board on a regular basis.

Greatship (India) Limited's CSR committee comprises of:

- Mr. Shashank Singh (Chairman)
- Mr. Mathew Cyriac
- Mr. P. R. Naware
- Dr. Swaroop Rawal\*

## 7. Monitoring and Evaluation

**Monitoring:** The CSR Committee shall ensure monitoring of the projects supported by the Company's CSR activities, by:

- a. Periodic visits by staff from the Company/CSR Foundation
- b. Regular defined reports from the partner organisation on utilisation of funds
- c. Quantitative information - number of people affected, resources saved etc.
- d. Qualitative information (community feedback, visual documentation etc).

**Evaluation:** In order to assess the impact of its CSR Projects and Programmes, maximize outcomes and build-in sustainability, scalability and replicability, the following processes shall be undertaken:

- Ensure that the projects/programmes undergo concurrent and final evaluation.
- If required, engage credible third parties to undertake evaluation of all or selected projects/programmes.

## 8. Accounting & Auditing

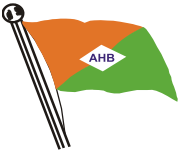
Greatship will follow the Accounting and Auditing Guidance Note/Standards duly approved by the Ministry of Corporate Affairs, Government of India.

## 9. Documentation and Reporting

The CSR committee will prepare the annual CSR report as per the format prescribed under the Companies Act, 2013 and the rules framed thereunder. This report will include:

- Outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken.

\* Appointed w.e.f August 05, 2015 vide Board Resolution dated August 05, 2015



- The composition of the CSR Committee.
- Average net profit of the company for the last three financial years.
- Prescribed CSR Expenditure (2% of the amount as in item above).
- Details of CSR spend during the financial year in such form as may be stipulated under the Companies Act, 2013.

## **10. Disclosure**

The Companies shall comply with Section 135 (2), 135 (4) (1), 134 (3) (o) and any other applicable provision of the Companies Act, 2013 and the prescribed rules thereunder (as may be amended or modified from time to time) thereby ensuring that it makes a full 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.