

CORPORATE SOCIAL RESPONSIBILITY POLICY

THE GREAT EASTERN GROUP



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1. Introduction: The Great Eastern Group

The Great Eastern Shipping Company Ltd. is the largest private sector shipping company in India. Over the last 70 years the company has managed to methodically build its capacity and grow, despite the volatility of international shipping markets. The Great Eastern Group (**GE Group**) includes:

1. **The Great Eastern Shipping Company Ltd. (GES)**: GES is involved in the bulk shipping business i.e. transportation of crude oil, petroleum products, gas and dry bulk commodities.
2. **Greatship (India) Limited (GIL)**: GIL is a wholly-owned subsidiary of GES that provides offshore oilfield services with the principal activity of owning and/or operating offshore supply vessels and mobile offshore drilling rigs.
3. **Great Eastern CSR Foundation (GECSRF)**: The enactment of Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) policy by the Ministry of Corporate Affairs, has marked India as the only country to regulate and make CSR mandatory for eligible companies falling under the Act.

Following this policy, **GECSRF**, a wholly owned not-for-profit subsidiary of GES was incorporated in February 2015. Through GECSRF, the GE Group aims to extend the scope of social welfare activities to the vulnerable, marginalized and low-income population in India.

2. CSR focus areas

Conforming to the activities as mentioned **under Schedule VII, Section 135 of the Companies Act** and, aligning our commitment to the globally accepted Sustainable Development Goals (SDG's), **GE Group's focus areas are:**

- a. **Education**: We are committed to support initiatives that aim to improve the quality of education, with a focus on building capacities of teachers and educators.
- b. **Health**: We aim to improve health outcomes for adolescent girls, pregnant women, infants, other women and communities at large.
- c. **Livelihoods**: We aim to enhance livelihood opportunities for women and youth by supporting organisations that focus on skill building, women empowerment and sustainable farming practices.

In addition to the focus areas, GE Group will also be open to consider support to other areas mentioned under Schedule VII of the Companies Act, 2013.

3. Geography

GE Group is open to support organizations across India. However, we will be more keen to support interventions that address needs of vulnerable, marginalized and low-income population in rural areas.

4. CSR Budget

Since the financial year starting 2014-15, GES and GIL have committed to spend **at least 2% of the average net profits over the past three financial years in accordance with the applicable provisions of the Companies Act, 2013**, on Corporate Social Responsibility (CSR) causes.

The CSR Committees of GES/GIL will approve the CSR spend towards each CSR cause during the year and their Boards will be kept informed.

In the event any surplus arises out of the CSR activities, it shall not form part of the business profits (but will instead be carried forward to the following years as part of CSR spend).

5. Governance

The **Corporate Social Responsibility (CSR)** Governance structure at GE Group comprises three levels:

- a. Board of Directors
- b. CSR Committee
- c. CSR Team

a. Board of Directors:

The Boards of GES/GIL will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee.
- Ensuring, through the CSR Committee, that in each financial year GES and GIL spend at least 2% of the average net profits over the past three financial years in accordance with the applicable provisions of the Companies Act, 2013.
- Ensuring, through the CSR Committee, that funds committed by the Company for CSR activities are utilized effectively.
- Ensuring that applicable disclosures on CSR are made in the Annual Report, and that details of the CSR activities undertaken are available on website.

b. Corporate Social Responsibility (CSR) Committee

The Board of Directors of GES and GIL have constituted Committees of Directors known as the CSR Committees. The functions of the Committees will be as follows:

- To formulate and recommend the CSR policy
- To recommend CSR budget for each year.
- To review and approve the fund allocation for partners.
- To monitor the CSR activities and report the same.

c. Corporate Social Responsibility (CSR) Team

The CSR team leads the day to day CSR activities of the GE Group. Its functions are as follows:

- Identify potential partners and facilitate an end to end partner selection process.
- Timely review of the budgets and approved disbursements to the partners.
- Periodically visit the programmes and evaluate the progress on ground.
- Share progress updates with CSR Committees as and when required.

6. Onboarding a Partner

a. Identification of a Partner

- **Direct Approach - Open to All:**
 - i. Any NGO registered as a Society/ Public Charitable Trust / Section 25 Not for Profit Organisation/ company established in India under Section 8 of the Act whose vision and values are aligned with any of our CSR focus areas or activities under Schedule VII can reach out to GECSRF.
 - ii. It should meet the basic statutory requirements (section 6.e.), including: documents such as the Registration certificate, valid Income Tax exemption certificates and Audited Financial statements for the last three years
- **Indirect approach:**
 - i. The CSR team may reach out to NGOs based on references from the existing partners, CSR Committee or Board members and other stakeholders.

b. Due Diligence

- Once the NGOs are identified, a due diligence process will be initiated to evaluate organization's operations, programmes and statutory compliances before making any decisions for partnership opportunities.
- A combination of meetings and visits will be conducted to complete the due diligence process.

c. CSR Committees

- Recommendations will be shared with the CSR Committee of GES/GIL for review and approval.
- Once approved, the CSR team will draft a Memorandum of Understanding (MoU) with the selected organization.

d. Partner Statutory Compliances

- Maintain a record of all basic compliance requirement documents:
 - i. 80G certificate
 - ii. Registration Certificate
 - iii. PAN Card
 - iv. 12 A Registration
 - v. Financial statements and Audit reports for the last three years

e. Memorandum of Understanding (MoU)

- The CSR team under the guidance of GES/GIL Legal and Compliance team and in consultation with the potential partner will finalize the MoU.

7. Monitoring and Evaluation

The CSR Team will periodically monitor and evaluate each project to ensure its smooth implementation. This will include review of progress reports and fund utilization (quarterly and annually), project site visits, and meetings with partner organisations.

Any additional third-party evaluation will be conducted as per the requirements for any partner(s).

8. Employee Engagement

GE Group further aims to provide and facilitate employee engagement opportunities to the employees.

9. Compliance

The GE Group will follow the applicable Accounting, Auditing and Reporting practices.

10. Effective Date

This Policy has been recommended by the Corporate Social Responsibility Committee of the Company at its meeting held on March 6, 2020 and has been adopted by the Board of Directors of the Company at their meeting held on March 06-07, 2020. This Policy is effective from March 06, 2020 and replaces the existing CSR Policy of the Company.