

GELTEC PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY
(Adopted at the BM held on 13th September 2022)

Description

Background

Definitions 2

Purpose 2

Objective 2

Governance Structure 3

Financials - 4

Operating Frame work

❖ **Project Identification.....5**

❖ **Monitoring..... 6**

❖ **Disclosures..... 7**

❖ **Review..... 7**

Background

Section 135 of the Companies Act, 2013 provides that every company which either has a net worth of Rs. 500 crore or a turnover of Rs. 1,000 crore or net profit of Rs.5 crore in the immediately preceding financial year shall constitute a CSR Committee and shall spend at least 2% of its average net profit for the immediately three preceding financial years on Corporate Social Responsibility activities as set out in Schedule VII to the said Act.

Definitions

- a) The Act means the Companies Act, 2013 including the amendments made as on date;
- b) CSR Rules means the Companies (Corporate Social Responsibility) Rules, 2014 as amended as on date.
- c) The Company means Geltec Private Limited

CSR - Purpose

Corporate Social Responsibility (CSR) is a concept which integrates the company's business objectives with social and environmental concerns while interacting with their stakeholders.

CSR - Objectives

To lay down guiding principles to ensure strong corporate culture which emphasizes on integrating CSR values with Business Objectives.

To do business by adding value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process to promote inclusive growth.

To practice its corporate values through its commitment to grow in a socially and environmentally responsible manner.

Keeping in mind the purpose and objectives of CSR, the areas identified for CSR spends in general are as provided in Schedule VII with specific emphasis on

- Health
- Education
- Environment
- Sports

Governance structure

A. CSR Committee:

The Corporate Social Responsibility Committee (CSR Committee) shall be constituted as per applicable provisions of the Act. The Committee shall define the scope of CSR activities for GELTEC and ensure compliance with the Policy.

The CSR Committee shall:

- i. Formulate the CSR policy and recommend to the Board and any amendments there to;
- ii. Recommend an Annual Action Plan in pursuance of the CSR Policy and budget to the Board;
- iii. Identify and recommend any CSR project to be undertaken to the Board;
- iv. Indicate the manner in which activities are to be undertaken by GELTEC as specified in the Act;
- v. Depute one or more persons to undertake CSR activities and other matters related to CSR initiatives under its supervision and direction;
- vi. Monitor the CSR activities and its compliance with the CSR policy from time to time; and submit reports periodically to the Board of Directors;
- vii. Review and implement, if required, any other matter related to CSR initiatives;
- viii. Allocate any such amount to any CSR activity which may not be a part of Annual Action Plan as per CSR contingencies and Societal needs that

may arise during any financial year

- ix. The Committee shall meet at least once in a year.

B. Board of Directors

The Board of Directors shall:

- i. Approve the CSR Policy based on the recommendation of the CSR Committee;
- ii. Approve the Annual Action Plan including the CSR Budget based on the recommendation of the CSR Committee; and
- iii. Review the CSR Policy and monitor the Implementation of the CSR Annual Action Plan;
- iv. Approve the Annual Report on CSR Activities to be included in the Board's Report.

Financials

A. Annual CSR Budget

As required under the Companies Act, 2013 and amendments made thereunder, the Company shall earmark as CSR Budget, at least 2% of the average of net profits of the Company made during the three immediately preceding financial years.

While calculating CSR budget, any surplus arising out of the CSR activities, shall not be included and shall be utilized as per the provisions of the Act.

B. Administrative Expenses

The administrative overheads shall not exceed five percent of total CSR expenditure of the company for the Financial Year, which shall not include the expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular CSR project or program(s).

Operating framework

I. Project Identification

1. CSR activities will be undertaken in areas identified by the CSR Committee. The preference shall be to the local area and areas around it where it operates. An Annual Action Plan shall be presented to the CSR Committee and based on its recommendations placed before the Board of Directors for their approval.
2. The Annual plan shall incorporate the following:
 - i. The prescribed outlay on CSR as per the Act and related rules as amended from time to time;
 - ii. Key CSR activities proposed to be undertaken during the year, including analysis of their eligibility for classification as CSR under the Act and related rules as amended from time to time, their conformity with the CSR Policy and their implementation schedules;
 - iii. Proposed outlay on each activity including expenditure on administrative overheads both directly and indirectly including employee costs;
 - iv. Activities to be undertaken directly by the Company.
 - v. Activities to be undertaken through Implementing agencies
 - vi. Aggregate proposed outlay and reasons for shortfall, if any, compared to the prescribed outlay.
3. Activities may be implemented directly by the Company, or in collaboration with other Companies or through implementing agencies. While collaborating with other Companies, CSR projects shall be undertaken in such a manner that the Committees shall be in a position to report separately on such projects as per the provisions of the Act. Implementing agencies shall apart from satisfying the qualifying and registration requirements as indicated in the CSR Rules shall also have a track record of at least three years in implementing such projects.

4. Funds would be disbursed either in tranches or as one-time payment. The terms, conditions and timing of disbursement would be conditional upon the nature and requirement of the CSR project or program. In case of projects undertaken in collaboration with other Companies, disbursement of the funds would be decided mutually by the respective Companies.

II. Monitoring

1. The CSR Committee shall ensure a transparent monitoring mechanism for CSR activities and for that matter procure Implementation report/ Utilization Certificates from Implementing agencies and may arrange for Site visits as required.
2. The progress of the CSR activities shall be reviewed at least twice a year, including the annual review by the CSR Committee. Presentations shall be made depicting progress of CSR activities.
3. The Chief Financial Officer shall be responsible for monitoring expense on CSR activities with respect to the plan and submission of the same to the CSR Committee and the Board.
4. The Board of Directors shall review the progress of CSR activities at least annually.
5. The Board of Directors shall pass a resolution to set off the excess amount spend on CSR in particular year to the subsequent three financial years.
6. Impact Assessment: All projects having outlay of Rupees One Crore or more and which have been completed in financial year preceding the immediate financial year shall be subject to an Impact Assessment by an Independent Agency.
7. The report of the Impact Assessment shall be placed before the Board and also be annexed to the CSR Report.

III. Disclosures

The Company shall include in its annual report, information as required to be included in Annual Report on CSR as per the CSR Rules, amended from time to time.

The details of CSR Activities of the Company as well as the Annual Report shall also be hosted on the Company's website, if any.

IV. Review

The policy will be reviewed as and when required subject to its review at least once in 3 years.

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