



**SYMEGA FOOD INGREDIENTS LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY 2023-24**

(Approved on 02.01.2024 by the Board of Directors of the Company)

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Reviewed By: Corporate Social Responsibility Committee of Board

Approved By: Board of Directors, Symega Food Ingredients Limited

1. Preamble

The importance of inclusive growth is widely recognized as an essential part of India's quest for development. It reiterates our firm commitment to include those sections of society in the growth process, which had hitherto remained excluded from the mainstream of development. In line with this national endeavor, Corporate Social Responsibility (CSR) was conceived as an instrument for integrating social, environmental, and human development concerns in the entire value chain of corporate business. The objective of CSR, in a way, is to demonstrate how businesses need to shift from a short-term compliance perspective to a strategic long-term commitment-oriented perspective.

2. Vision

We, Symega Food Ingredients Limited, consider the community as one of our apex stakeholders and believe in inclusive growth. Through our various initiatives, we endeavor to play a relevant role by serving communities and projects that address gaps in basic societal requirements. Hence, this CSR Policy absorbs Symega's core values that are aligned in the following manner with its CSR strategy:

- **Being Accountable for what we do:** Symega considers itself accountable for contributing back in a meaningful way to society at large.
- **Embracing Diversity:** Symega believes in embracing diverse views and opinions, which lead to a better solution. Accordingly, for the execution of its CSR projects, Symega plans to partner, where necessary, with NGOs/ other charitable organizations to meet the CSR objectives.
- **Collaborating to Win:** Collaborating with other NGOs/ charitable organizations, with footprint/ expertise in areas selected, is a key aspect of Symega's strategy to make a positive impact in its CSR activities. This CSR Collaboration will push towards the achievement of sustainable development goals and public-private partnership in transforming the society at large.

The CSR Policy would function as a self-regulating mechanism for Symega's CSR activities and enable adherence to laws, ethical standards, and international practices in this regard.

3. Applicability

This Policy will apply to all projects/programs undertaken as part of the Symega's CSR activities. This Policy is also in line with Section 135 of the Act and the Rules made there under. The Company shall undertake activities in the areas or subjects specified in Schedule VII of the Act.

4. Definitions

- "Act" means the Companies Act, 2013
- "Company" means Symega Food Ingredients Limited
- "Corporate Social Responsibility (CSR)" means and includes but is not limited to: Projects or programs approved by the Board of Directors of a Company in pursuance of recommendations of the CSR Committee of the Board subject to the condition that such Projects or programs will cover subjects enumerated in Schedule VII of the Act.
- "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- "CSR Policy" relates to the CSR outlook of the Company and the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of the normal course of business of a Company.
- "Net profit" means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -
 - (i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
 - (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
- "Ongoing Project" means a multi-year project undertaken by a Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.

5. Governance

The overall governance of CSR will be the responsibility of the CSR Committee of the Board. As the Company's CSR activities evolve further, the Policy may be revised with the approval of the Board.

6. CSR Committee

Symega's Board of Directors has formed a CSR Committee. This committee, along with the CSR team, is responsible for the decision-making with respect to CSR Policy. The Board of Directors of the Company shall approve the Policy after considering the recommendations made by the CSR Committee. The Board level Committee shall meet at least once in a year. The following shall be the terms of reference of the Committee.

- To formulate CSR strategy, Policy, action plan, and goals.
- To monitor CSR Policy and performance.
- Review and recommend any amendments to be made to the CSR Policy of the Company.
- To ensure legal and regulatory compliance from a CSR viewpoint.
- To evaluate and recommend to the Board to modify/amend/cancel the ongoing projects.
- Review of annual action plan and fund utilization certificate issued by CFO.
- To carry out such other functions as may be delegated to it by the Board relating to CSR activities of the Company.

The committee was reconstituted with effect from 08.12.2023 and the members of the reconstituted CSR Committee are.

- Mr. Paolo George: Chairman
- Mr. Ashok Mani: Member
- Mr. Santhosh Stephan: Member

The Constitution of the CSR Committee of the Board has been given as Annexure I to the Policy.

7. Meetings and Quorum

The Committee shall meet at least once a year. Two members present shall form the quorum for the meeting of the Committee. The members can invite outside persons as invitee to attend the meeting of the Committee.

8. CSR Budget

The CSR Committee shall ensure that a minimum of 2% of the average net profit of the Company made during the three immediately preceding financial years is spent on CSR activities. The overall amount to be committed to CSR will be approved by the Board. Within the budgeted amount, specific CSR projects will be approved by the Board after considering the recommendations of the CSR Committee.

Any amount remaining unspent at the end of the Financial Year, pursuant to any ongoing project undertaken by the Company in pursuance of its CSR Policy, shall be transferred at the end of the financial year to a special account called the “Unspent Corporate Social Responsibility Account” and such amount shall be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer (excluding the year of commencement of the project), failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

9. Administrative Overheads

Administrative overheads are the expenses incurred by the Company for general management and administration of CSR functions. The maximum permissible limit for administrative overheads is five percent of the total CSR expenditure of the Company for the financial year.

10. Surplus arising out of CSR

Any surpluses arising out of CSR activities shall not form part of the business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and annual action plan of the Company or transfer such surplus amount

to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

11. Disbursement

The Board of Directors of the Company, from time to time, is authorized to delegate and fix the sanctioning limit of CSR spending by the Executives, and CSR Committee. The disbursal of funds will be either in tranches or as a one-time payment depending on the nature and requirement of the project. The terms, conditions, mode, and timing of disbursement will be discussed and agreed upon in the memorandum of understanding with the entity before implementing the project.

12. Implementation

The Company will undertake its CSR projects either:

- a) directly; or
- b) through a Company established under section 8 of the Act, or a registered public trust or a registered society and has an established track record of at least three years in undertaking similar activities.

In case of the implementing agency being a 'not for profit' organization, the entity should typically meet the criteria as may be defined in the Act. The implementation partner will also be screened based on the Company's internal screening criteria to ascertain the entity's credibility and its ability to execute the proposed projects.

13. CSR initiatives covered by the Policy

In accordance with the e framework of the Companies Act 2013, as amended from time to time, and the practice of Corporate philanthropy, Symega has focused on three key areas of development under its CSR activities, as under:

- Education: We are committed to fostering education by investing in programs that enhance access to quality education for all with a focus on underprivileged communities near our operations.

- **Health:** Prioritizing community health, we will support healthcare initiatives that provide accessible and affordable services to underserved populations. Collaborating with various medical institutions with an aim to address prevalent serious health issues through awareness camps, and infrastructure development for healthcare facilities.
- **Agricultural Development:** Recognizing the significance of agriculture, we will invest in sustainable agricultural practices to enhance productivity and to improve the livelihoods of farmers. Collaborations with agricultural institutions, training programs for farmers, and support for eco-friendly farming practices will be integral to our efforts.

14. Monitoring and Supervision

The CSR Committee will ensure a transparent monitoring mechanism for ensuring the effective implementation of projects/programs/activities undertaken by the Company directly or indirectly.

The Chief Financial Officer or the person responsible for financial management shall certify to the effect that the CSR funds so approved/ disbursed have been utilized for the purposes in which manner as approved.

15. Formulation of the Annual Action Plan to initiate CSR project:

- a) The Company will ensure that its CSR projects are non-discriminatory in nature and do not have any restrictive political or religious affiliations.
- b) The programs/ projects will be within the areas recommended/listed in Schedule VII of the Act and mentioned in the Policy.
- c) The programs/projects will be implemented within the country and; preferably in areas where the Company has its presence.
- d) Programs/Projects should not be exclusively for the benefit of employees of the Company or their family members or those that are conducted /undertaken exclusively in pursuance of the normal course of business.
- e) The programs/ projects should exclude activities that are to be supported on sponsorship basis for deriving marketing benefits for its products or services.

f) The programs/ projects should exclude activities carried out for the fulfillment of any statutory obligations under any law in force in India.

g) Programs/Projects that integrate business models with social and environmental priorities and processes in order to create shared value will be encouraged.

The annual Action Plan of the Company may be modified with the approval of the Board to include any unbudgeted expenditure on account of new project(s).

16. Guiding Principles for Initiating CSR Programs/ Projects.

The CSR Committee formulates an annual action plan in pursuance of this CSR Policy and recommends it to the Board for its approval. It shall include the following.

- i. the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
- ii. the manner of execution of such projects or programs.
- iii. the modalities of utilization of funds and implementation schedules for the projects or programs.
- iv. monitoring and reporting mechanism for the projects or programs and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company.

17. Reporting

Significant CSR activities and achievements will be reported as part of the Director's Report in the Company's Annual Report and also as per any other statutory and regulatory reporting requirements.

18. Publishing on the Company's Official Website

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, for public access.

ANNEXURE I

Constitution of Corporate Social Responsibility Committee of the Board.

No	Name	Role
1	Mr. Paolo George	Chairman
2	Mr. Ashok Mani	Member
3	Mr. Santhosh Stephan	Member