



GODREJ SEEDS & GENETICS LIMITED
Corporate Social Responsibility (CSR) Policy

(Last amended October 27, 2021)

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1. Preamble

Godrej Seeds & Genetics Limited (GSGL), is committed towards creating a more sustainable and environmentally conscious India.

2. Purpose

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies*
- Explain the manner in which the surpluses from CSR projects will be treated.

**The Partner Implementation Agency to fulfil all the criteria's as laid down under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as may be amended from time to time.*

3. Policy Statement

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society.

4. CSR Goals

At GSGL, we are committed to the Godrej Group's 'Good & Green' vision of creating a more equitable, inclusive and greener world for 20 million people by 2025-26. Our core focus areas are:

4.1 Employability

Enable rural and urban populations in skills that enhance their earning potential through education, employability and entrepreneurship projects.

4.2 Health and well-being

Awareness and knowledge about diseases, strengthening the provision of preventative and primary healthcare, enabling access to entitlements, and disaster relief.

4.3 Greener India

Our endeavor is to prevent the further deterioration of the environment and preserve it for the future generations. The Greener India initiative aims to do this through innovative

projects that contribute to conserving fresh water, reducing waste to landfill, afforestation projects, etc.

Our CSR policy contributes to the Group-wide goals by adopting projects in the areas of intervention defined in Schedule VII to the Companies Act, 2013, as may be amended from time to time. Over and above the abovementioned goals, from time to time we undertake additional CSR activities as may be approved by the CSR Committee that are covered under Schedule VII, such as:

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care' and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development

Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects

(xi) slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

5. Governance Structure

We have constituted a robust and transparent governing mechanism to oversee the implementation of its CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as may be amended from time to time.

- **Board-level CSR Committee:**

At GSGL, our CSR governance structure is being headed by the Board Level CSR committee that will be ultimately be responsible for the CSR projects undertaken and activities relating thereto.

The Committee will report to the Board of Directors of the Company.

- **Members:**

- ✓ Ms. Tanya Dubash- Chairperson
- ✓ Ms. Nisaba Godrej- Member

A. RESPONSIBILITIES OF THE CSR COMMITTEE:

- ✓ Formulate an Annual Action plan, which shall include:
 - a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII to the Act (as may be amended from time to time);
 - b) the manner of execution of such projects or programs as specified in Act;
 - c) Decide and fix the amount of expenditure to be incurred on CSR activities;
 - d) the modalities of utilization of funds and implementation schedules for the projects or programs;
 - e) monitoring and reporting mechanism for the projects or programs; and
 - f) details of need and impact assessment, if any, for the projects undertaken by the company:

- ✓ Formulate, monitor, update and recommend, from time to time, the CSR Policy of the Company to the Board,
- ✓ Suggest areas of CSR intervention to the Board;
- ✓ Approve projects that are in line with the CSR policy;
- ✓ Put monitoring mechanisms in place to track the progress of each project;
- ✓ At least once a year to review the progress made.

B. RESPONSIBILITIES OF THE BOARD OF DIRECTORS:

- ✓ Upon recommendation of the CSR Committee, the Board shall approve the following:
 - a. Amendments to the CSR Policy of the Company;
 - b. Annual Report on CSR Activities forming part of the Board's Report;
 - c. Claiming of set-off in case the spent on CSR activities is in excess of the CSR requirement.
- ✓ Ensure that the CSR spends in every financial year is as per the provisions of Section 135 of the Companies Act, 2013 and the CSR Policy of the Company.

6. CSR Budget

The total budget for the CSR projects will be decided by the CSR Committee and shall be in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Rules framed thereunder (including notification(s) / Circulars issued by Ministry of Corporate Affairs in this regard) and as per the provisions of such other applicable law for time being the force.

7. Treatment of Surpluses

Any surplus generated from CSR projects undertaken by GSGL will be treated in any of the below mentioned manner:

- a. Shall be ploughed back into the same project; or
- b. shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company; or
- c. transfer such surplus amount to a Fund specified in Schedule VII within 6 (six) months from the expiry of the Financial Year.

These funds i.e., the surplus, if any, generated from CSR Activities, will not be added to the normal business profits, under any circumstances.

8. CSR Reporting

The Board's Report of GSGL shall include an Annual Report on CSR Activities in the format as may be prescribed under the Companies Act, 2013 and / or the Rules framed thereunder, including any statutory amendment(s)/ modification(s) / re-enactment(s) for time being in force.

In case the average CSR obligation is ₹10 Crore (Rupees Ten Crore Only) or more, in the 3 (three) immediately preceding Financial Years, the Company shall undertake Impact Assessment, through an independent agency, of their CSR projects having outlays of ₹1 Crore (Rupees One Crore Only) or

more, and which have been completed not less than 1(One) year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR Activities.

9. Excess Spent and Claiming of set-off:

Where GSGL spends an amount in excess of its CSR obligation as laid down under the Act, such excess amount may be set off^{\$} against the requirement to spend up to immediate succeeding 3(Three) Financial Years' subject to the conditions that –

- (a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any,
- (b) the Board of the company shall pass a resolution to that effect.

^{\$}No carry forward shall be allowed for the excess amount spent, if any, in financial years prior to FY 2020-21.

In case any excess amount is left unadjusted / set-off is not claimed for at the end of the 3rd financial year, the unutilized amount will be lapsed at the end of the said period and no further set-off can be claimed.

10. Short Spent / Transfer of unspent CSR amount

If the Company, in any Financial Year, fails to spend the CSR Obligation amount, the same shall be reported in the Board's Report, specifying the reason for not spending the amount and such amount shall be transferred within a period of 6(Six) months of the expiry of the financial year to a Fund specified in Schedule VII to the Act, if the Unspent amount pertains to 'other than ongoing projects'.

If unspent amount pertains to any "Ongoing Project"[#], such amount shall be transferred within a period of 30 (Thirty) days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the "Unspent Corporate Social Responsibility Account", and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of 3(three) financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 (Thirty) days from the date of completion of the 3rd (Third) financial year.

[#]Ongoing Project shall mean a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding 3 (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 1(One) year by the board based on reasonable justification.

11. General

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference can be made to the CSR Committee Members. The CSR Committee Members shall clarify the doubt and communicate the same to the respective person. On receipt of direction/clarification, CSR Committee shall communicate the same to the respective person /division.

12. Review and Amendment of Policy

Any or all provisions of the CSR Policy would be subject to revision/ amendment in accordance with the provisions of the Act or the Rules framed thereunder or any guidelines on the subject as may be issued by the Central Government or Ministry of Corporate Affairs from time to time.

This policy will be reviewed by CSR Committee of the Board of Directors of the Company at such intervals as they may the CSR Committee may deem necessary and the same shall be recommended to the Board for its approval. Any change in the Policy shall be approved by the Board of Directors. The Board of Directors of the Company shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder and/or any other laws in this regard shall automatically apply to this Policy.

This Policy has been last amended by the Board of Directors of the Company on October 27, 2021.
