

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY
OF
SEEDWORKS INTERNATIONAL LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

[CSR Policy under the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

I. Overview

- 1.1. SeedWorks International Limited ("**SeedWorks**") is engaged in the business of Research and Development, breeding, production and marketing of hybrid seeds of Rice, Cotton, Vegetables, Pearl Millet and Mustard.
- 1.2. The corporate sector controls a significant portion of the society's resources and therefore, it is imperative for companies to draw a balance between their right to grow and their responsibilities towards society and the environment. The Corporate Social Responsibility (CSR) is designed and governed with a clear focus on promoting health care, education, rural development, etc., among various sections of the society.
- 1.3. SeedWorks recognizes that CSR involves ongoing commitment by businesses to contribute to the economic and social development of the society while improving the quality of life and building capacities of the local community and society at large.
- 1.4. Therefore, SeedWorks being a company and also as part of its social responsibility has initiated initiatives to perform CSR activities in a manner that is compliant with the provisions of Section 135 of the Companies Act, 2013 ("**Act**") and the rules framed thereunder.
- 1.5. The initiatives undertaken by SeedWorks are in consonance with projects and programmes related to activities specified under Schedule VII of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 ("**CSR Rules**").

II. SeedWorks' CSR Policy

- 2.1. This CSR policy ("**Policy**") spells out SeedWorks' philosophy towards its social responsibilities and lays down the guidelines, framework and mechanism relating to the implementation, monitoring, reporting, disclosure, evaluation and assessment of projects, programmes and activities forming part of SeedWorks' CSR.
- 2.2. Pursuant to Section 135 of the Act, the Board of Directors constitute a committee called the "CSR Committee". The members in the said CSR Committee shall be appointed by the Board of Directors of SeedWorks, which shall comprise at least such number of Directors as is mandatorily required by applicable laws
- 2.3. The CSR Committee is empowered to implement the CSR Policy as approved by the Board of SeedWorks and recommend amendments or modifications to this Policy and such changes shall be placed before the Board of Directors of SeedWorks ("**Board**") for approval.

III. Objectives of the CSR Policy and CSR Activities

- 3.1. SeedWorks' CSR will focus on 3 (three) thrust areas- Health, Education and Rural Development. In addition, it will also commence interventions in the areas of disaster relief, environmental sustainability, promoting gender equality, empowering women, and protection of national heritage, art and culture etc., all aimed at improving the quality of life at various societal levels.

- 3.2. Assist in the development of the country's economy by positively impacting the society via minimal utilization of resources.
- 3.3. Use SeedWorks skill and expertise to help the society by enabling it to achieve its full positive potential.
- 3.4. The Board or CSR Committee may recommend donating or making grants to the Prime Minister's fund or funds set up by the Central or State Governments or to non-profit organizations and other institutions whose activities are aligned with SeedWorks' CSR activities.
- 3.5. Detailed list of CSR activities under this CSR Policy are provided under Annexure-A hereto.

IV. Applicability of the Policy

- 4.1. This CSR Policy shall be implemented in accordance with the provisions of the Act and CSR Rules.
- 4.2. This Policy shall apply to all projects / activities undertaken by SeedWorks in India as per Schedule VII of the Act.
- 4.3. The CSR activities shall not include activities undertaken by SeedWorks in pursuance of the normal course of its business.
- 4.4. Projects, programs or activities that solely benefit the employees of SeedWorks and their families shall not be considered as CSR activities under this Policy.

V. CSR Committee

- 5.1. The CSR Committee has been constituted in accordance with the provisions of the Act. The members in the CSR Committee shall be appointed by the Board from time to time.
- 5.2. Member vacancies by virtue of resignation or for any reason whatsoever shall be filled up by the Board in the immediate next Board meeting. The Board shall have all powers to replace existing members with new members or appoint additional members subject to the provisions of the Act.
- 5.3. The details of the members of current composition of CSR Committee are provided in Annexure-B of this Policy.
- 5.4. The CSR Committee shall hold at least 1 (one) CSR Committee meeting in every six months in a financial year. The CSR Committee is empowered to decide the CSR programmes/ projects and initiatives for each financial year and accordingly recommend the agenda to the Board of Directors.
- 5.5. Quorum of the CSR Committee meeting shall be two members present during the entire meeting.
- 5.6. The Managing Director & Chief Executive Office (MD & CEO), Chief Financial Officer (CFO), President- ESG, Sourcing and Admin and Company Secretary of SeedWorks, are permanent invitees to the meetings of the CSR Committee. The CSR Committee may invite any other invitees/specialists, as and when required.

- 5.7. The special invitees to meetings of CSR Committee shall be entitled to participate in the deliberations of the CSR Committee but will not be entitled to vote at the meetings of the CSR Committee.

VI. Role of the CSR Committee

- 6.1. The CSR Committee shall be responsible for:

- (i) Formulating this CSR Policy in accordance with the provisions of the Act and rules thereunder and recommending modifications to the same in a periodical manner;
- (ii) Identification of the initiatives and specification of the projects and programs for CSR and recommending the same to the Board;
- (iii) Govern and review the CSR activities of SeedWorks from time to time.
- (iv) Recommending the CSR budget and amount of expenditure to be incurred by SeedWorks on CSR activities to the Board;
- (v) Submit an Annual Business Plan for CSR to the Board for its approval. The plan will include resource requirements and allocations across interventions and locations.
- (vi) Putting in place a transparent monitoring mechanism for implementation of the programmes, projects and activities undertaken under this Policy and proper utilization of funds;
- (vii) Conduct meetings to review progress on approved projects, take up any new proposals for CSR, changes in CSR policy and recommend the same to the Board.
- (viii) Periodically updating the Board on the progress being made in the planned activities; and
- (ix) Providing a responsibility statement in the Board's report as to whether the implementation of the projects and programmes are in compliance with and fulfills the objectives of this Policy.
- (x) Conduct adequate and effective due diligence in order to implement the approved CSR activities.

VII. CSR Cell

- 7.1. The CSR Cell has been constituted to assist the CSR Committee with the implementation and impact assessment of the CSR initiatives. The CSR Cell comprises of the following members:
- (i) Chief Financial Officer
 - (ii) President – ESG, Sourcing and Admin
 - (iii) Company Secretary and

- (iv) One / Two employees of SeedWorks, as appointed by the CSR Committee from time to time.

7.2. Role of the CSR Cell

The CSR Cell shall work under the directions of the CSR Committee and its duties are as follows:

- (i) Assist the CSR Committee on determining the modalities of execution including targets and timelines in consultation with the CSR Committee;
- (ii) Ensuring that the recommendations of the CSR Committee are implemented in accordance with the approvals of the Board;
- (iii) Assist the CSR Committee in preparing the impact assessment of all CSR activities;
- (iv) Maintaining documents and accounts pertaining to all CSR activities of SeedWorks;
- (v) Providing periodic reports to the CSR Committee on implementation as well as assessment carried out through field visits and feedback sessions; and
- (vi) Assisting the CSR Committee in preparation of the annual report on CSR.

VIII. Projects, Programs and Activities

- 8.1. The CSR Committee shall identify programmes, projects and activities in line with this Policy and place it for the approval of the Board. The identification of the programmes, projects and activities shall be based on internal assessment, receipt of proposals and ground-level discussions. The CSR Committee may also take assistance from external agencies/ NGOs for identifying and evaluating the projects before placing them for the approval of the Board.
- 8.2. SeedWorks shall develop a strategy with respect to new projects or programmes after identifying the target group and focus areas it wishes to harness; operationalize the institutional mechanism i.e., choosing the implementing agency whether in-house or out-sourced and identifying the implementation model which could range from giving grants to direct project execution; develop the project with defined activities, targets, timelines, budgets etc., finalize the arrangement with the implementing agency so selected; and continue monitoring of progress and reporting.
- 8.3. In the event any of SeedWorks' affiliates in India are obligated to undertake CSR in accordance with the Act and CSR Rules, SeedWorks may collaborate with such affiliates for undertaking projects or programmes or activities in a manner such that the CSR Committee of SeedWorks as well as the committees of its affiliates are in a position to report separately on such programmes or activities, in accordance with the prescribed law. Affiliates for the purpose of this clause shall mean subsidiaries of SeedWorks, subsidiaries or portfolio companies of the majority shareholder.

IX. Implementation

- 9.1. SeedWorks may undertake CSR activities through a registered trust or society or any company, established by SeedWorks, under Section 8 of the Act for such not-for-profit objectives.
- 9.2. SeedWorks may undertake its CSR activities either directly or through NGOs or agencies that meet the criteria prescribed under law.

- 9.3. SeedWorks may collaborate with other companies for undertaking the CSR activities subject to fulfilment of separate reporting requirements as prescribed.
- 9.4. The CSR activities shall not include any activity undertaken by SeedWorks in pursuance of its normal course of business.
- 9.5. SeedWorks shall not make any payment directly or indirectly to a political party(ies) for CSR activities.
- 9.6. The CSR activities shall be undertaken within the territory of India.
- 9.7. The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with the NGOs and/or other agencies for the purposes of implementation of the projects. The conditions of grant of amounts for all CSR activities, projects and programs and the break-up of the allocations shall be set out and evaluated from time to time.

X. CSR Expenditure, Allocation and Disbursement of Funds

- 10.1. The CSR Committee shall recommend the annual budget for each project, programme or activity in accordance with this CSR Policy and applicable law, for the consideration and approval of the Board. The CSR Committee will also determine and recommend to the Board for its approval, the allocation and distribution of CSR spends within the different projects, programs and activities undertaken. The schedule of disbursements shall be linked to the planned projects / activities.
- 10.2. SeedWorks may create a CSR Corpus fund and allocate a budget towards each of the CSR activities/ projects falling within the purview of the objectives of this Policy.
- 10.3. The corpus for CSR expenditure shall be minimum of 2% of the average net profits during the 3 (three) immediately preceding financial years; (a) any income arising therefrom; and (b) any surplus arising out of CSR activities.
- 10.4. SeedWorks shall, with the approval of its Board, make a budgetary allocation for CSR activities/ projects for the year. The CSR budgetary allocation will be based on SeedWorks profitability and the requirements of applicable laws.
- 10.5. Any surplus arising out of CSR projects/programmes or activities shall not form part of the business profits and shall be invested into the CSR programme/project.
- 10.6. The overall CSR expenditure shall be approved by the Board based on the recommendations of the CSR Committee. CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee.
- 10.7. Salaries paid by SeedWorks to regular CSR staff as well as to volunteers (in proportion to company's time/hours spent specifically on CSR) can be factored into CSR project cost as part of the CSR expenditure. However, the Administrative expenditure shall not exceed 5% of the total CSR expenditure of SeedWorks in one financial year.

XI. Unspent CSR Amount

- 11.1. The unspent CSR amount which relates to any ongoing project will be transferred by SeedWorks within 30 days from the end of Financial Year to a special account called as Unspent Corporate Social Responsibility Account in any Scheduled Bank which shall be opened for that Financial Year.
- 11.2. The above unspent amount will be spent as per the provisions of the Act within next three Financial Years of such transfer, failing which, SeedWorks shall transfer the same amount to a Government Fund specified under Schedule VII of the Act within 30 days from the date of completion of the third Financial Year.
- 11.3. The unspent CSR amount which does not relate to any ongoing project will be transferred by SeedWorks within 6 months from the end of Financial Year to a Government Fund specified under Schedule VII of the Act.
- 11.4. With respect to Unspent CSR amount, the CSR Committee shall submit its reasons for not spending the amount to enable the Board to report the said reasons in its report, for not spending the CSR amount.

XII. Monitoring

- 12.1. The CSR Committee will monitor the programs and projects to ensure that they are being carried out in compliance with this Policy and the Act and in accordance with the approved budget. Amount allocated towards CSR shall be released only against verification of utilization of funds as per approved work-plans and timelines. Verification may be done through review of documents, field visits and through an active feedback mechanism. The CSR Committee may also engage external agencies/ NGOs for monitoring the utilization of funds and implementation of projects.
- 12.2. To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of the Policy, the progress of each such project, programme and activity will be reviewed by the CSR Committee on a quarterly basis, with all requisite documentation. Such reviews shall be carried out with the objective of identifying slippages, if any, and taking appropriate corrective action to resolve such slippages after thorough discussions with the CSR Cell.
- 12.3. All CSR activities and expenses made thereon will be reported in a transparent manner on half yearly basis, which will be placed before the Board by the CSR Committee. All CSR expenses will be audited along with the statutory audit and reported as may be required under the Act.
- 12.4. In the event it is observed that any CSR activity taken up is not being implemented in the desired manner, the CSR Committee may, with the approval of the Board, discontinue funding of such project at any time during the course of implementation and deploy such funds for any other project/ activity or programme.

XIII. Impact Assessment

- 13.1. Regular and interactive feedback sessions shall be conducted at all levels i.e., with the NGOs and/or agencies through which CSR activities are being undertaken as well as the respective beneficiaries of all CSR activities undertaken by SeedWorks.
- 13.2. Field visits shall be conducted at regular intervals to ensure effective implementation.
- 13.3. Proper documentation shall be done to record key observations of such feedback sessions and field-visits.

- 13.4. If deemed necessary by the CSR Committee, the effectiveness of the various programmes/ activities undertaken under CSR may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.

XIV. Reporting

- 14.1. A half yearly report on implementation shall be submitted to the Board by the CSR Committee.
- 14.2. The CSR Committee shall prepare an annual report on CSR, in the format prescribed under the Act and such report shall be included in the Board's report annexed to the financial statements. The report shall be signed by the Chairman of the CSR Committee and MD&CEO/Director of SeedWorks.

XV. Tax Treatment

- 15.1. Tax treatment of CSR spent will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (**CBDT**) from time to time.

XVI. Display

- 16.1. The contents of the CSR Policy shall be disclosed in the Directors' Report and the same shall also be displayed on SeedWorks website.
- 16.2. SeedWorks CSR activities may be published in its in-house journals as and when thought necessary.

XVII. Amendments

- 17.1. The CSR Committee shall review the CSR Policy from time to time based on the changing needs and make suitable modifications as may be necessary with the approval of the Board.

XVIII. General

- 18.1. The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in **connection** with the effective execution of this Policy.
- 18.2. In case of any doubt with regard to any provision of this CSR Policy and also in respect of matters not covered herein, a reference should be made to the CSR Committee.
- 18.3. In all such matters, the interpretation and decision of the CSR Committee and the Board shall be final.
- 18.4. SeedWorks reserves the right to modify, cancel, add, or amend this CSR Policy based on changing needs and aspirations of the target beneficiaries.
- 18.5. For queries related to this CSR Policy, please write to us at info@SeedWorks.com

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

ANNEXURE A- CSR INITIATIVES

CSR PROGRAMME/ PROJECT	CSR INITIATIVE	REF. SR.NO OF SCHEDULE VII OF THE ACT
HEALTH CARE	<ul style="list-style-type: none"> • Organizing Health Camps 	I
	<ul style="list-style-type: none"> • Providing family planning services 	
	<ul style="list-style-type: none"> • Promoting awareness about various health issues and generating demand for health services 	
	<ul style="list-style-type: none"> • Undertaking and supporting research on health-related issues. 	
	<ul style="list-style-type: none"> • Sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available drinking water 	
EDUCATION	<ul style="list-style-type: none"> • Training Teachers and Headmasters 	II
	<ul style="list-style-type: none"> • Supporting and Promoting co-curricular activities 	
	<ul style="list-style-type: none"> • Advocacy of best practices 	
	<ul style="list-style-type: none"> • Education of mainstreamed disabled children 	
	<ul style="list-style-type: none"> • Employment enhancing vocation skills and livelihood enhancement projects. 	
WOMEN EMPOWERMENT, GENDER EQUALITY AND SENIOR CITIZEN CARE	<ul style="list-style-type: none"> • Promote gender equality, empowering women 	III
	<ul style="list-style-type: none"> • Set up homes and hostels for women and orphans 	
	<ul style="list-style-type: none"> • Set up old age homes, day care centers and such other facilities for senior citizens 	
ENVIRONMENTAL SUSTAINABILITY	<ul style="list-style-type: none"> • Undertaking plantation and afforestation activity 	IV
	<ul style="list-style-type: none"> • Promoting renewable sources of energy 	

	<ul style="list-style-type: none"> Promoting awareness about environmental issues 	
	<ul style="list-style-type: none"> Contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga 	
DISASTER RELIEF	<ul style="list-style-type: none"> Extending relief measures during times of natural disaster, anywhere in India 	Different activities will be categorised differently
	<ul style="list-style-type: none"> Undertaking and supporting rehabilitation measures post disaster 	
ARMED FORCES	<ul style="list-style-type: none"> Measures for the benefit of armed forces veterans, war widows and their dependents. 	VI
SPORTS	<ul style="list-style-type: none"> Contribute to activities undertaken by <i>Khelo India</i>, an initiative of Ministry of Youth Affairs and Sports for training of sports persons. 	VII
	<ul style="list-style-type: none"> Support deserving athletes in training for national, international tournaments 	
DONATION TO GOVERNMENT ORGANISATIONS	<ul style="list-style-type: none"> Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women 	VIII
INNOVATION	<ul style="list-style-type: none"> Donate to technology incubators located within academic institutions which are approved by the Central Government 	IX
RURAL DEVELOPMENT	<ul style="list-style-type: none"> Building and maintaining community based rural infrastructure like roads, bridges, water infrastructure, community center, youth clubs etc. 	X

SeedWorks is empowered to further undertake all other activities as may be prescribed under Schedule VII of the Companies act, 2013 from time to time.

ANNEXURE B- CSR COMMITTEE MEMBERS

1. Mr. Anil Kumar Choudhary, Non- Executive Director (Chairperson)
2. Ms. Ruchira Roy, Independent Director (Member)
3. Dr. Vijaya Kannan Raghavan, Independent Director (Member)