

फैक्स/Fax: 011-25842904
वेबसाइट/Website: www.indiaseeds.com
ईमेल/Email: nsc@indiaseeds.com

दूरभाष /Phones: 011-25846292, 25846295
25842383, 25842672



राष्ट्रीय बीज निगम लिमिटेड

(भारत सरकार का उपक्रम-“मिनी रत्न” कम्पनी)

सीआईएन: यू74899डीएल1963पीएलसी003913

पंजीकृत कार्यालय:

बीज भवन, पूसा परिसर

नई दिल्ली-110012 (भारत)

(आईएसओ 9001:2008 व 14001:2004 प्रमाणित कम्पनी)

NATIONAL SEEDS CORPORATION LIMITED

(A Government of India Undertaking-“Mini Ratna” Company)

CIN : U74899DL1963PLC003913

Regd. Office:

Beej Bhawan, Pusa Complex

New Delhi-110012 (INDIA)

(An ISO 9001:2008 & 14001:2004 Certified Company)

COPY OF RESOLUTION PASSED BY BOARD OF DIRECTORS
OF NATIONAL SEEDS CORPORATION LIMITED
AT THEIR 264TH MEETING HELD
ON 30.12.2015.

“RESOLVED THAT pursuant to the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 and Rules thereunder, the CSR Policy as amended in view of the latest amendment in the relevant provisions of the Companies Act, 2013 be and the same are hereby approved and that the CMD be and is hereby authorized to sign the duly amended CSR Policy before uploading the same on the website of the Corporation.

Certified to be true copy

मो. राकिम/MOHD. RAQUIM
कम्पनी सचिव/Company Secretary
राष्ट्रीय बीज निगम लिमिटेड/NSC Limited
बीज भवन, पूसा/Beej Bhawan, Pusa
नई दिल्ली/New Delhi-110012

‘इस उपक्रम में हिंदी में प्राप्त पत्रों का स्वागत है’

NATIONAL SEEDS CORPORATION LIMITED

(A Government of India Undertaking-**Miniratna** Company)
(CIN: U74899DL1963PLC003913)

“An ISO 9001:2008 & ISO 14001:2004 Company”

Website- www.indiaseeds.com



POLICY DOCUMENT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Regd. & Corporate Office

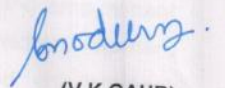
**Beej Bhawan, Pusa Complex,
NEW DELHI-110012.**

PHONES : 25842383, 25846272, 25842692, 25846295

PREFACE

Corporate Social Responsibility (CSR) and Sustainability is a Company's Commitment to its Stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Stakeholders include employees, investors, shareholders, customers, business partners, clients, Civilians, Government and Non-Government organizations, local communities, environment and Society at large. Thus the Companies are expected to conduct themselves in a socially, economically and environmentally responsible manner at all times for the cause of the National and International Interest.

In order to regulate the CSR and Sustainability obligations of Companies, the Companies Act, 2013 and Rules thereunder provide for Mandatory obligations to be complied by specified Companies. The Act requires framing of a Policy by the Company which should be recommended by its CSR Committee and approved by Board of Directors. Accordingly, after considering the present Policy document prepared, finalized and recommended by the CSR Committee of the Board, the Board of Directors of the Corporation have approved the CSR Policy Document at its 255th meeting held on 31.07.2014 for implementation. In view of certain mandatory changes brought out in Schedule VII of the Act, the present CSR Policy is being revised.



(V.K.GAUR)
CHAIRMAN-CUM-MANAGING DIRECTOR

CSR POLICY OF CORPORATION

1.0 Objectives

- (i) To comply with the provisions of Companies Act, 2013 and Rules framed thereunder on CSR and Sustainability, as amended from time to time (hereinafter referred to as the Act).
- (ii) To fulfil the MoU obligations as may be imposed upon by Government of India on the Corporation concerning CSR and Sustainability.

NOTE:- Only activities which are not directly or wholly related for the benefit of employees of the Company or their family members shall be considered as CSR activity.

2.0 Scope

The scope of CSR Policy of the Corporation will cover all Stakeholders which will also include socio-economic, environmental and cultural upliftment activities for the Society at large dwelling in the areas surrounding to or nearby the Units of the Corporation. The focus will be on Community relief/benefits/welfare. The CSR activities as are provided in the Schedule VII appended to the Companies Act, 2013 and amended by MCA from time to time as under:-

- 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 setup 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 arts and handicrafts;
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
- 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 any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix) Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- 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.

3.0 Initiatives

3.01 CSR strategy will have fourfold initiative as under:

- (i) Corporation may act as Promoter: In the first instance, the Corporation will take up CSR and Sustainability activities to fulfil MoU obligations. Simultaneously, the Corporation will take up other CSR and Sustainability activities on its own but within over all budgeted limit as per provisions of the Act.
- (ii) Corporation may act as a Partner: Corporation will be building up partnership with Voluntary Bodies, Autonomous Bodies, Statutory Agencies, State and Central Government Agencies/PSUs, to take up Corporate Strategic Responsibility Projects on a sustainable basis.
- (iii) Corporation may act as Facilitator: Corporation may make contributions to various Socially Beneficial Projects in and around its Units as well as in any part of India.
- (iv) Corporation may act as a Consultant: Corporation may extend assistance in terms of technical expertise, managerial expertise, etc. to the following Welfare and Developmental Projects: -

4.0 Analysis of Companies (CSR Policy) Rules, 2014:

As per Rule 2(c) of Companies (Corporate Social Responsibility Policy) Rule, 2014 notified on 27.2.2014, "Corporate Social Responsibility (CSR)" means and includes but is not limited to: (i) Projects or programs relating to activities specified in Schedule VII to the Act; or (ii) Projects or programs relating to activities undertaken by the board of directors of a company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.

CSR Policy:

Rule 2(e) of Companies (Corporate Social Responsibility Policy) Rules, 2014, states that "CSR Policy" relates to 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 normal course of business of a company. The CSR Committee constituted under section

135(1), shall prepare the CSR Policy of the company which shall include the following; (a) a list of CSR projects or programs which a company plans to undertake falling within the purview of Schedule VII of the Act, specifying modalities of execution of such project or programs and implementation schedules of the same; and (b) monitoring process of such projects or programs.

However, the CSR activities do not include the activities undertaken in pursuance of normal course of business of a company. Further, that the Board of Directors shall ensure that activities included by a company in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Act.

5.0 Companies that are required to comply with CSR policy Rules:

Rule 3: Rule 3(1) of Companies (CSR Policy) Rules provides that every company including its holding or subsidiary, and a foreign company defined under section 2(42) of the Act having its branch office or project office in India, which fulfils the criteria specified in section 135(1) of the Act shall comply with the provisions of section 135 of the Act and these rules. However, net worth, turnover or net profit of a foreign company of the Act shall be computed in accordance with balance sheet and profit and loss account of such company prepared in accordance with the provisions of section 381(1) (a) and section 198 of the Act.

Rule 3(2): further, Rule 3(2) states that every company which ceases to be a company covered under section 135(1) of the Companies Act, 2013 for three consecutive financial years shall not be required to (a) constitute a CSR Committee and (b) comply with the provisions contained in sub-section (2) to (5) of the said section, till such time it meets the criteria specified in section 135(1) of the Act.

Rule 4(1): The CSR activities shall be undertaken by the company, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

Rule 4(2): The Board of a Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise: However (i) if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects; (ii) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

6.0 Pooling of resources for CSR activities:

Rule 4(3): A company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.

Rule 4(4): Subject to provisions of section 135(5) of the Act, the CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure. It implies that the Indian Society must be benefited out of the CSR projects.

Rule 4(5): The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.

Rule 4(6): Companies may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the company in one financial year.

Rule 4(7): Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

Rule 6: Rule 6 of Companies (CSR Policy) Rules deal with CSR Policy. According to Rule 6(1), the CSR Policy of the company shall, inter alia, include the following, namely: -

(a) A list of CSR projects or programs which a company plans to undertaken falling within the purview of Schedule VII of the Act, specifying modalities of execution of such project or programs and implementation schedules for the same; and

(b) Monitoring process of such projects or programs.

However, the CSR activities do not include the activities undertaken in pursuance of normal course of business of a company. Further, the Board of Directors shall ensure that activities included by a company in its CSR policy are related to the activities included in Schedule VII of the Act.

(c) Surplus arising out of CSR activities:

According to Rule 6(2), the CSR Policy of the company shall specify that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

7.00 Modus Operandi on the Implementation of CSR Activities prescribed under Schedule VII of Companies Act, 2013:

7.01 Eradicate hunger, poverty etc.:

In case of flood, drought, cyclones, earthquakes, fires, civil wars, riots, Malaria and other natural and un-natural calamities where the people are not in a position to earn money for their livelihood or edible items are not available in the local & nearby markets due to which pervasive hunger, poverty, malnutrition etc. are prevailing, the CSR funds towards such objects may be deployed provided that such a situation is announced by the local authorities, State Government or Central Government. Besides, Corporation will also make contribution to boost seed production and other agricultural activities for providing means of livelihood to the local employment of people and to curtail the shortage of food grains. Subject to availability of CSR funds in the Budget, NSC may contribute to Swachh Bharat Kosh set-up Central Government for sanitation and making available safe drinking water.

7.02 Promotion of Education etc. :

Following targets are set:-

- (a) To contribute Government's Mission in bringing total literacy amongst local people, which will be centralized on agricultural subjects.
- (b) Subject to availability of CSR budgeted amount, to establish Schools preferably in the areas nearby the Units of the Corporation.
- (c) Promotion of literacy amongst residents of Colonies and villages nearby the Units of the Corporation, with specific attention to provide training and exposure on agricultural related works.
- (d) Specific support for tribal students in areas nearby the Units of the Corporation by distribution of school bags, book and other reading materials, grant of scholarships etc.

7.03 Promoting gender equality, empowering women etc. :

- (a) Corporation will join hands with Central Government, State Government, Local Authorities, Social Organizations, NGOs etc. in attaining the above objectives for the provisions of basic general facilities, education, shelters, dwelling Units etc. No discrimination will be made merely on the basis of gender in any of the above matters.
- (b) Equal facilities will be provided to the women class. In case of any causes concerning discrimination, the same will be resolved by corporation if these are reported by the aggrieved concerned.
- (c) NSC will also incur expenses of CSR towards other means for facilitating these objectives as per laws, Rules, Schemes of Government of India or the Government of State where Units of the Corporation are located.

7.04 Ensuring environmental sustainability etc.:

The Corporation will take up following programmes either directly or through partnerships with other PSUs.

- a) Organising sensitizing programmes on environment management, etc.

- b) Environment Management Measures to address the concerns of stake holders
- c) Green Belt Development /distribution/plantation of social utility trees/planting material or seeds of fruits/forest/utility/vegetable etc.
- d) Total Pollution Control Measures
- e) Continuous monitoring of Vital Parameters
- f) Subject to availability of CSR funds, NSC may contribute to the Clean Ganga fund set up by Central Government for rejuvenation of river Ganga.
- g) Such other programmes as may be decided by CSR Committee.

7.05 Protection of National Heritage, Art & 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.

- (a) As regards protection of National Heritage etc. the Archaeological Department of Government of India is the custodian of all the Historical Buildings and Sites.
- (b) Moreover, the Corporation is engaged in Seed Activities, therefore, it is not possible for it to carry out the above works by making a set up at its own or a wing or a department to work on the targets as mentioned above. Therefore, subject to availability of funds and recommendations of CSR Committee, the Board of Directors may consider the proposal for contributing to some Government Department/ Organizations who are already engaged in taking up these activities.
- (c) Regarding establishment of a Public Library, Corporation may consider for establishing such Library in the Towns/area where its Units are located.
- (d) As regards Promotion and Development of Traditional Arts and Handicrafts, the Corporation may consider to provide Training to the local inhabitants if the stipulation for providing the Training is imposed by DPE in the MoU of the Financial Year concerned.

- 7.06 Measures for the benefits of Armed Forces veterans, war widows and their dependents.

The Corporation shall endeavour its best to make maximum support/contribution to such persons particularly during war period, if any, and thereafter. The Corporation will also make efforts to provide the opportunities of their livelihood.

- 7.07 Training to promote Rural Sports, nationally recognized sports, paralympic sports and Olympic sports.

Subject to availability of budget cushion, the Corporation may promote opportunities preferably to the people who are residing in the areas where the Units of the Corporation are located and in case of talented persons, may financially support them to participate in paralympic /Olympic sports.

- 7.08 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, Scheduled Tribes, other backward classes, minorities and women.

Corporation may also consider to contribute funds for the above purpose out of the CSR budget.

- 7.09 Contribution or funds provided to technology incubator located within Academic Institutions which are approved by the Central Government.

The Corporation may contribute to the funds maintained by Government of India for this purpose.

- 7.10 Rural Development Projects.

Generally the Farms of the Corporation are located in Rural areas which are not very much developed and the Farms are not only providing the employment to the local people but also directly or indirectly providing education, medical facilities, availability of drinking water etc. However, the Corporation may target to plan other diversification and innovative activities through projects which may enhance the degree of Rural Development to a satisfactory level and local population may be benefited from the overall advantages which may accrue by establishing the Rural Projects particularly in the areas where Units of the Corporation are located or in their vicinities.

7.11 Slum Area Development.

Subject to availability of CSR funds, NSC will incur amounts on Slum Area Development as declared by Central or State Government or any other authority under any law.

8.00 Budget Allocation

So far the net worth of the Corporation remains Rs. 500.00 Crores or more or Turnover remains not less than Rs. 1000.00 Crores or a Net Profit remains not less than Rs. 5.00 Crores, the Corporation shall earmark at least 2% of the Average Net Profit of the Corporation made during the three immediately preceding Financial years towards CSR activities in compliance of the Provisions of the Companies Act, 2013. The average net profit shall be calculated as per the provisions of the Section 198 of the Companies Act, 2013.

9.0 Circumstances where the budgeted CSR amount of the Current year is not utilized in the same year.

- a. The Corporation will ensure to spend the CSR budgeted amount within the same year. However, if for what so ever reasons, the amount is not spent, the Corporation shall disclose the reasons in its Directors' Report for not spending the amount. The unspent amount will be carried forward for utilization in the next year.
 - b. The statement that the Corporation has framed a CSR Policy will have to be inserted in the Directors' Report. Moreover, the amount incurred under CSR activities will have to be described in the Directors' Report and all further initiatives proposed by the Corporation in this regard will also be reflected.
-

10.0 Delegation of Powers:

In terms of the Corporation's CSR Policy, the CSR Committee shall prepare the Policy of the Company which shall include the following: -

- i) Specify the projects and programmes that are to be undertaken.
- ii) Prepare a list of CSR projects/programmes which a company plans to undertake during the implementation year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.
- iii) CSR projects/programmes of a company may also focus on integrating business models with social and environmental priorities and processes in order to create shared value.
- iv) CSR policy of the Company should provide that surplus arising out of the CSR activity will not be part of business profits of a Company.

11.0 CSR Expenditure:

Under Rule 7, CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of schedule VII of the Act.

CSR Reporting in Board's Report: Rule 8(1) requires that the Board's Report of a company covered under these rules pertaining to a financial year commencing on or after the 1st day of April, 2014 shall include an annual report on CSR containing particulars specified in Annexure to the CSR Policy Rules, 2014. Further, in case of a foreign company, the balance sheet filed under sub-clause (b) of sub-section (1) of section 381 shall contain an Annexure regarding report on CSR (Rule 8(2)).

Rule 9 : Display of CSR activities on its website:

The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company and disclose contents of such policy in its report and the same shall be displayed on the company's website, if any, as per the particulars specified in the Annexure of CSR Policy Rules, 2014.

Greater opportunities for corporate to benefit society:

In the changed economic environment, corporate have a greater responsibility to society as a whole. Schedule VII was amended by Notification F.No. 1/15/2013-CL. V, dated 27.2.2014 in respect of activities which may be included by companies in their CSR policies. This notification came into force with effect from 1.4.2014.

13.0 Format for the Annual Report on CSR initiatives to be included in the Board Report by the Qualifying Companies:

The Annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014, prescribe the following reporting format:

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee
3. Average net profit of the company for last three financial years.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)
5. Details of CSR spent during the financial year;
 - (a) Total amount to be spent for the financial year;
 - (b) Amount unspent, if any;
 - (c) Manner in which the amount spent during the financial year is detailed below:-

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2)Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure or programmes (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1	2	3	4	5	6	7	8

* Give details of implementing agency:

[Handwritten signature]
[Handwritten signature]