

MAHARASHTRA STATE SEEDS CORPORATION LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREAMBLE

Maharashtra State Seeds Corporation Limited (MSSCL) is committed actively to contribute to the social and economic development of the farmers, seed growers, backward communities, poor and down trodden society and doing our own research on the fields for individual crops which will help to maintain quality of soil, air and water. MSSCL focused towards development of vocational skills and enhance the production capacity of farmers/seed growers by conducting training programme which covers best sustainable farm management and optimum utilization of available resources with less impact on the ecological balance. MSSCL is also committed towards country's human development and support to the state's agenda for development which is aimed at social responsibility with sustained growth as well as development of the society as a whole.

2. CSR POLICY AND ITS APPLICABILITY

CSR Policy and Statement Section 135 & Schedule–VII of the Companies Act, 2013, relates to CSR activities which has been published in the Gazette of India (Ref. No. 27 dtd. 30.08.2013) and was notified on 27.02.2014 by Ministry of Corporate Affairs, to be made effective from 01.04.2014. In compliance of the above notification this policy on CSR has been prepared. The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged/down trodden sections of the society. Through this policy, we align our CSR strategy with the MSSCL vision and goals. We adopt this approach that integrates the solution to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

3. IMPLEMENTATION & IDENTIFICATION OF PROJECTS

All projects are identified in a participatory manner, in consultation with the community, literally sitting with them and gauging their basic needs. We re-course to the participatory rural appraisal mapping process. Consequently, based on consensus and in discussion with the village panchayats, and other influential projects are privileged and prioritized to the needy. Arising from this, the focused areas that have emerged are Capacity Building, Better Farm Management, Skill developments of farmers/seed growers, agriculture research, Education of underprivileged and differently able children, schools and their sanitary needs, play grounds, land scraping, Helath Care, sustainable livelihood, infrastructure development, and espousing social causes.

4. AREAS OF OPERATION

MSSCL is headquartered at Akola, Maharashtra State; The MSSCL is well known name in the seed production and marketing industry at Maharashtra. The Company is focusing Maharashtra State for spending the amount earmarked for CSR activities.

5. BOARD RESPONSIBILITY FOR CSR

The Board of MSSCL will be responsible for:

- a. approving the CSR policy as formulated by the CSR Committee with any modification that may be deemed necessary depending on the need and essentiality.
- b. ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation during the three immediate preceding financial years.
- c. ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively and regularly monitoring implementation.
- d. disclosing in its Annual Report the names of CSR Committee members, the content/proposed activities under CSR policy and its compliance under annual reporting of its CSR activities are placed/being placed on the Company's website.
- e. ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format. As per Section 135 of the Companies Act, 2013, the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report. The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.

6. CSR COMMITTEE MEMBERS

The CSR committee of MSSCL shall consist of the following Directors:

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| 1. Managing Director | Chairman |
| 2. Farmers Elected Directors | Members |
| 3. Woman Independent Director | Member |
| 4. Reserved for | Member (Independent Director) |

The CSR committee will be responsible for:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company specified in Schedule VII of the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may think fit and appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

e. The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company

f. To delegate to any senior staff or outsource the works by setting goals and monitor the progress set by CSR Committee

7. CSR PROJECTS/ACTIVITIES

The thrust of CSR shall be in the following areas, with special attention to the development of weaker/marginalized/under privileged/down trodden sections of the society including SC/ST/BC/ Minorities, women and children, old and aged, physically challenged persons including deaf and dumb etc.

- a) Creating vocational skill for better farm management and capacity building of farmers/seed grower.
- b) Doing own research on the fields for individual crops to find out the most cost optimum and agriculture products which helps to maintain ecological balance.
- c) Environment Protection i) Afforestation/Social Forestry ii) Rain water harvesting system iii) Increasing water levels at fields by water management projects iv) promoting and providing drip irrigation facilities to farmers and extending drinking water facility to identified villages/adopted villages.
- d) To employ sustainable methods and assist social welfare groups so as to contribute to the eradication of extreme hunger and poverty.
- e) Empowerment of Communities, inclusive of Socio-Economic growth i) Women empowerment/ Livelihood generation center (Stitching & Embroidery training centers for women) ii) Skill development/vocational training (For Men & Women)
- f) Upliftment of the Marginalized and Underprivileged Sections of the Society i) Education (Free literacy programmes at various centers in slum/backward areas) ii) Aiding Institutions of Differently Abled/Disabled/ Handicapped persons
- g) Community Healthcare i) General / specialized Health camps ii) Specialized Medical treatment for reducing child mortality and improving maternal health. iii) Health Awareness camps (HIV/AIDS, Swine flu, General Health etc.)
- h) Such other activities as may be permitted under the laws. The CSR activities shall be as per Schedule–VII (notified on 27.02.2014 by Ministry of Corporate Affairs) as part of the Companies Act, 2013. The CSR projects/activities shall be approved by CSR Committee of the Board and ratified by Board of Directors. All the requests/applications from Villagers/Gram Sabha's / Panchayat / Ward Members/Associations/ Trusts/Societies/Beneficiaries etc. shall be scrutinized and screened by CSR Committee and then their need assessment would be organized

suitably. The need of assessment/baseline survey shall be carried out through inhouse expertise and recourses. However, in case of specialized CSR projects/activities for which in-house capacity is not available, the baseline survey/need assessment shall be carried out by specialized agencies.

8. CSR FUNDS/BUDGET ALLOCATION

MSSCL shall spend in each financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial years. The total budgetary allocation shall be approved by the Board of Directors. Any unspent/unutilized CSR fund of a particular year, shall be carried forward to the following year, i.e. the CSR budget will not be lapsed by nomenclature. However, the reason for not being able to spend shall be disclosed.

9. IMPLEMENTATION & MONITORING

To implement the Company's CSR Programmes through Company personnel or through external implanting agencies or through Trust. For, projects in villages, persons/representatives from Villages/Gram Sabah's / Ward members shall also be engaged. This will help in achieving the target as well as participation of the local representatives in formulating the various activities to obtain maximum benefit by community. Activities shall, as far as possible, be implemented in a project mode. For easy implementation, long-term CSR projects shall be broken down into medium-term and short-term plans. Each plan shall specify the CSR activities planned to be undertaken for each year. Accordingly, the budget shall be allocated for the implementation of these activities and achievement of targets set for each successive year, till the final completion of the project. Projects especially the construction/civil activities and other projects which require specialized knowledge and skills shall be executed by the external specialized agencies. All the CSR activities shall be monitored regularly and continuously by Chairman of CSR Committee and review discussions shall be held amongst the committee members and suggestions for further improvements shall be discussed in details. Feedback shall be regularly obtained from local area representative/link-man / coordinator about benefits of various activities and/or their suggestions.

10. GOVERNANCE

- i) The Company reserves the right to modify, cancel, add, or amend any of the above rules/guidelines, with the approval of CSR Committee & ratification of Board of Directors.
- ii) Any or all provisions of the CSR policy shall be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government of India, from time to time.
- iii) In case of doubt with regard to any of the provision of the policy and also in respect of matters not covered herein, the interpretation & decision of the CSR Committee shall be final.

11. REPORTING

The CSR Committee will prepare reports that are required to be placed before the Board. The format of the Report shall be the format prescribed under the CSR Rules stated hereunder:

S.no	CSR Project or Activity Identified	Sector which the project is covered	Project or Programs 1) Local Areas, 2) Specify the state and district where projects or programs was undertaken	Budget (Project or Program)	Target Date & Status		Cumulative Expenditure	Amount Spent Direct or through Agency	Publication of CSR Policy
					Direct Expenditure	Overheads			
