

GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

(Formerly known as Gujarat Narmada Valley Fertilizers Co. Ltd)

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CORPORATE SOCIAL RESPONSIBILITY POLICY

THE COMPANY:

GNFC is a joint sector enterprise promoted by Government of Gujarat and Gujarat State Fertilizers & Chemicals Limited. The Company has established itself firmly with diversified product portfolio from its initial Fertilizers business to Chemicals and then to Electronics, Information Technology business, etc. Its Fertilizers & Chemicals plants are located in Bharuch and its Information Technology segment is at Ahmedabad.

Over the years, GNFC has been an enthusiastic supporter of activities for the society in and around Gujarat. The Company recognizes social responsibility and accordingly in the year 1980, it established its CSR arm, Narmadanagar Rural Development Society a Trust, Narmadanagar Rural Development Society (NARDES). Over the period, NARDES has hired a pool of professionals from various reputed social and rural development colleges in India and it was restructured to be able to attend to larger projects of CSR of the Company. The Company also donates handsomely to Non Government Organization in their social pursuits. Being associated with agriculture sector closure communication with the rural society has been established, which has been helpful in carrying out CSR activities. Various programmes including helping to overcome effects of natural disaster have been undertaken by the Company.

The corporate strategy of the Company is inspired by the opportunity to contribute to a more secured and sustainable future. Our mission is to build a CSR model beneficial to the society while carrying out profitable business. We aim to increase

the reach and improve the quality of education, healthcare, rural infrastructure, skill training, entrepreneurship development, youth engagement and agriculture in Gujarat with full involvement of our stake holders. We focus on development of people living in remote and rural areas and who are unable to improve their living standard. While carrying out activities relating to environment, conservation of flora, fauna, and prevention, control of pollution and regeneration of degraded areas are given importance. Emphasis is also given on renewable energy resources.

The Company's CSR activities are participative in nature and not philanthropic by providing only donations. The local people are involved in income generating activities by forming groups and user groups. The programs are handed over to the communities after the benefits of the programs are realized by the communities and also after providing training and guidance for carrying the programs further.

The activities which are clearly mandated to be performed by the Government and/or for which Central/State Government's schemes have been sanctioned, are generally refrained, as it could result in unnecessary duplication. However where supportive activities/ contributions are required, the Company undertakes such activities/ contributions.

CSR ACTIVITIES:

The Company would carry out CSR activities covered under Schedule VII to the Companies Act, 2013 (enclosed as Annexure A to this policy). The primary areas of its CSR activities would be as follows, however, the area may be extended/ changed to include the other activities covered by Schedule VII by the Board of Directors of the Company as and when such need arises.

Sector	Target group	Geography	Focus Area
Education	Primary Higher and Technical Education	Across Gujarat State and those states where GNFC Products are being Marketed	<ol style="list-style-type: none"> 1. Strengthening educational infra structure and forging partnerships with reputed organizations for educational programmes. 2. Helping initiatives like Digital India, smart cities etc. and providing wi-fi services.
Health care	Primary Health and Nutrition		<ol style="list-style-type: none"> 1. Carry out research based pilot studies on malnutrition among Children pregnant and lactating mothers in tribal and backward areas. 2. Support to strengthen Government health services by strengthening health infrastructure. 3. Providing necessary aids like artificial limbs, tricycles, hearing machines etc. to differently-abled in order to help them to lead a dignified life. 4. Conducting regular health/eye checkup and de-addiction camps, blood donation camps, sponsoring their further treatment etc. 5. Providing facilities in old age homes/orphanages/ homes for Physically Challenged Children and adults
Rural Infrastructure sanitation	Rural areas	,,	<ol style="list-style-type: none"> 1. Partnership with Government for drinking water supply scheme. 2. Setting up of R.O. water plants in

and self employment generation			<p>high salinity areas providing good drinking water.</p> <ol style="list-style-type: none"> 3. Strengthening rural infrastructure by providing street lights, roads, drainage system and sanitation facilities. 4. Providing Support to Dairy Cooperatives and other self employment generation programmes 5. Contributions to the Prime Minister and Chief Minister's Swachchhata Abhiyan and National Relief Fund and activities thereof. 6. Conducting IEC activities for promotion of Gandhian thoughts and philosophy in the interest of nation building.
Vocational Skills	Dropout, unemploy ed youth, land losers, craftsman , artisans etc.	”	<ol style="list-style-type: none"> 1. Establishment and running of state of art and craft design and skill development centres for artisans and craftsmen and vocational training centres and forging partnership with NGOs and not for profit organisations in the field. 2. Employment oriented courses as per industrial requirements.
Empowerme nt of women and youth	Women and Youth		<ol style="list-style-type: none"> 1. Partnership with Government and NGOs for any projects relating to women and youth empowerment. 2. Income generation skill

			<p>development programmes.</p> <p>3. Mass Communication, Social Media, use of technology for promoting Education, awareness including special education and IEC activities.</p>
Environment Sustainability	Reforestation and energy conservation	Across India	<p>1. Partnership with Government, non Governmental and educational bodies for Climate Change and Sustainability Projects and IEC activities.</p> <p>2. Partnership with Government and non Governmental bodies / institutions at national and International institutions for organizing Seminars/ workshops and programmes, printing and publication.</p>
Protection and development of National Heritage, Art Culture, Public Libraries	Social Cause	Across Gujarat State and those states where GNFC Products are being Marketed	Protection of national Heritage, restoration of sites of historical importance, setting up of public libraries and all related activities.

MODALITIES FOR EXECUTION OF PROJECTS:

GNFC believes that CSR needs should be integrated into the Company's core decision making, strategy, management process and activities. The investment in

CSR should be project based and for every project time framed periodic milestones should be finalized at the outset.

The Company has constituted CSR Committee of its Directors. The proposals of CSR recommended by CSR Committee will be placed before the Board of Directors for its approval. The projects approved by the Board would be carried out through a registered trust or a registered society or a company established by the company or associate company under section 8 of the Act or otherwise or through trust or society or company having track record of three years in undertaking similar programs or projects. Such trust, society or company may implement the CSR activities in association with other specialized agencies. These specialized agencies may include:

1. Community based organization,
2. Voluntary agencies,
3. Institutes / Academic organizations,
4. Trust / Mission,
5. Self-help groups,
6. Government / Semi-Government organizations,
7. Professional consultancy organizations.
8. Not for profit organizations registered under S. 25 of Companies Act.

In addition, the Company may take up CSR projects directly or make contributions/donations directly to CSR projects of Government or carry out CSR activities in collaboration with other companies.

The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.

IMPLEMENTATION SCHEDULE:

When (Conceptual phase)	What (Task delineation)	How (Checkpoints on the journey)
Plan	Conducting CSR assessment, develop commitments and strategies	<ul style="list-style-type: none"> ➤ Decide on direction, approach, boundaries and focus areas. ➤ Carry out base line survey where community development program is involved. ➤ Carry out cost benefit justification
Do	Implementing the CSR commitments	<ul style="list-style-type: none"> ➤ Documentation of CSR approaches, programs, procurements and expenditure. ➤ Set measurable targets and identify performance measurers. ➤ Hold discussions with major stakeholders. ➤ Engaging employees and create a working group. ➤ Design and conduct training. ➤ Make commitments public. ➤ Consult affected stakeholders.
Check	Assure and report on progress-evaluate and improve.	<ul style="list-style-type: none"> ➤ Measure and assure performance. ➤ Internal & external report on performance. ➤ Identify opportunities for improvement. ➤ Engage stakeholders.

CSR FUNDS:

For each financial year, the minimum amount available for CSR spending will be defined in accordance with the applicable provisions of the statute. Any surplus

arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

GOVERNANCE AND MONITORING:

- Every year CSR Committee will place before the Board of Directors CSR Plan delineating the CSR Programs to be carried out during the financial year and the budgets thereof.
- Based on the decision of the Board the Company will make assignment of the CSR projects to trusts, societies and companies. Alternately it may take up the activities itself.
- Utilization certificate with statement of CSR expenditure duly certified by an authorized auditor will be obtained by the Company from the agencies to which the CSR program is assigned.
- Monthly report will be submitted to the Company by respective trust, Society and Company, highlighting the cumulative outlays & outcomes of the project.
- Quarterly report on CSR activities will be placed before the CSR Committee
- Half yearly report on CSR activities will be submitted, to CSR Committee for submitting the report to the Board of Directors for its review of CSR activities.
- Annual Report on CSR activities will be submitted to CSR Committee for submitting it to Board for its approval.

SCHEDULE VII

(See section 135)

Activities which may be included by companies in their Corporate Social Responsibility Policies

Activities relating to:—

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and 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 centers 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;
- (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;
- (vii) Training to promote rural sports, nationally recognized 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) Contributions or funds provided to technology incubators located within academic institutions which are approved by 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.
