

CORPORATE SOCIAL RESPONSIBILITY POLICY OF
GREENSTAR FERTILIZERS LIMITED

The “CSR Policy” defines the activities to be undertaken by the Company as determined by the CSR Committee and approved by the Board of Directors from such projects or programs relating to activities specified in Schedule VII, excluding activities undertaken in pursuance to normal course of business of the Company and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan and as may be defined under the Act and rules made thereunder from time to time.

I. CONSTITUTION:

1. The Board of Directors of Greenstar Fertilizers Limited (“the Company”) at their Meeting held on November 3, 2014 constituted a Committee of the Board with the nomenclature “Corporate Social Responsibility Committee” (“the Committee”).
2. The Committee shall act in accordance with the terms specified in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

II. DEFINITIONS:

- a. “**Act**” means Companies Act, 2013 including any statutory modification or re- enactment thereof;
- b. “**Board**” means Board of Directors of the Company.
- c. “**Corporate Social Responsibility**” means the activities undertaken by the Company in pursuance of its statutory obligation laid down in section 135 of the Act and Rules made thereunder from time to time.
- d. “**CSR Committee**” means Corporate Social Responsibility Committee of the Board.

III. ACTIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION & GUIDING PRINCIPLES:

1. The CSR Committee undertakes one or more activities, as set out in the Schedule VII of the Companies Act, 2013 (as amended from time to time) as its projects for CSR initiatives.

Greenstar Fertilizers Limited

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2. The Committee intends to carry out its CSR activities through its own personnel/ department established with persons qualified to undertake such activities. The Company engages the services of AM Foundation, CSR arm of the Group with an established track record of at least three financial years of having done CSR activities within the norms prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.
3. The Company may also collaborate with its Group/Associate Companies for undertaking the said activities.
4. The Company shall give preference to the local area and areas around it where it operates for spending the amount earmarked for CSR activities.
5. The Company may undertake CSR activities through implementing agencies as defined in Rule 4 of the amended Companies (Corporate Social Responsibility Policy) Rules, 2014.

IV. EXPENDITURE TO BE INCURRED

The Committee shall determine an amount equivalent to 2% of the average net profits made during the three immediately preceding financial years in accordance with the provisions of Section 198 and shall thereafter prepare a budget of expenditure to be applied for the CSR projects.

The administrative overheads, which forms part of the CSR expenditure shall not exceed 5%, or such amount as may be notified by the Ministry of Corporate Affairs, of the total CSR expenditure of the Company for the financial year.

Provided if the company spends an amount in excess of the aforesaid requirements, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that–

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

The Surplus arising out of the CSR projects or programmes shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

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V. MONITORING

The Committee shall through its members monitor the expenditure incurred vis-à-vis the budgets and moneys provided to its departments or through AM Foundation.

VI. IMPLEMENTATION

The Board/CSR Committee may decide to implement the CSR Projects through AM Foundation or through such other implementation agencies as may be decided from time to time.

VII. ANNUAL ACTION PLAN:

The CSR Committee and or the Board shall have regard to the Annual CSR budget or carry forward amount, if any will be considered for various CSR projects and submit the projects for adoption.

While deciding on the project, the CSR Committee/Board shall also have to take into account the duration of project, project timelines, extension of timelines and such other matters as may be required in this regard.

VIII. REPORTING

The Board's Report shall include an annual report on CSR activities containing particulars as specified by the Ministry of Corporate Affairs.

IX. PUBLICATION OF THE POLICY:

The CSR policy recommended by the Committee and approved by the Board along with Composition of CSR Committee and CSR projects approved by the Board shall be displayed on the Company's website.

X. TRANSFER OF UNSPENT FUND

Until a fund is specified in Schedule VII for the purposes of subsection (5) and (6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

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XI. AMENDMENT

The Company or the Board may amend or modify this Policy in whole or in part, at any time and that no such amendment shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.

This policy was last reviewed and approved by the Board on 12th August, 2022.

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