



ANNEXURE 3 TO THE BOARD'S REPORT
Business Responsibility Report 2019-2020
[Regulation 34 (2) (f) of SEBI Listing Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY		
1.	Corporate Identity Number (CIN) of the Company:	L24231PB1975PLC047063
2.	Name of the Company :	Punjab Chemicals and Crop Protection Limited
3.	Registered address :	Milestone-18, Ambala-Kalka Road, Village & Post office Bhankharpur, Derabassi, District SAS Nagar (Mohali) -140201
4.	Website: E-mail id:	www.punjabchemicals.com info@punjabchemicals.com
5.	Financial Year reported:	2019-2020
6.	Sector(s) that the Company is engaged in (industrial activity code-wise):	
	Chemicals (Performance Chemicals)	20119, 20211
	<i>As per National Industrial Classification - Ministry of Statistics and Programme Implementation.</i>	
7.	List three key products/services that the Company manufactures/provides (as in balance sheet)	
	The Company principally manufactures 'Performance Chemicals' comprising of Agrotechnicals, API's, Pharmaceutical Intermediates, Phosphorous Derivatives and Speciality Chemicals.	
8.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	SD Agchem (Europe) NV N.A. (Subsidiary Company 100%) 2 (87) Uitbreiding straat 84/B32600, Berchem(Antwerp) Belgium
	(b) Number of National Locations:	Derabassi, Punjab Lalru, Punjab Pune, Maharashtra Mumbai, Maharashtra
9.	Markets served by the Company - Local/State/National/International:	India - All International - major in Europe, Japan and UK.
SECTION B:		
FINANCIAL DETAILS OF THE COMPANY		
1.	Paid up Capital (INR in Crore) :	12.26
2.	Total Turnover (INR in Crore) :	548
3.	Total profit after taxes (INR in Crore) :	15.78
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	Total spend on CSR during financial year 2019-2020 is INR 36.05 lakh which is in compliance of Section 135 read with Schedule VII of the Companies Act, 2013. The 2% of the average profit for the last three years INR 39.65 lakh. An amount of Rs. 3.60 lakh was unspent due to COVID-19 and Lockdown which will be spent during the year 2020-2021.



5.	List of activities in which expenditure in 4 above has been incurred:	
	<ul style="list-style-type: none"> • Education • Healthcare • Animal Husbandry 	
SECTION C:		
	OTHER DETAILS	
1.	Does the Company have any Subsidiary Company/Companies?	Yes. Company has one 100% subsidiary in the name of 'SD Agchem (Europe) NV' based in Belgium.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	This is the first year for the Company to publish Business Responsibility Report. The Company to encourage its subsidiary to participate in the business responsibility initiatives.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company does not mandate its suppliers and distributors to participate in the business responsibility initiatives.
SECTION D:		
	BR INFORMATION	
1.	Details of Director/Directors responsible for BR	
	(a) Details of the Director/Directors responsible for implementation of the BR policy/policies:	
	Particular	Details of Director
	DIN Number	00015621
	Name of Director	Shalil Shashikumar Shroff
	Designation	Managing Director
	(b) Details of the BR head:	
	Particular	Details of Director
	DIN Number	00063569
	Name of Director	Avtar Singh
	Designation	Director (Operations & Business Development)
	Telephone Number	01762- 280086, 522250
	Email ID	info@punjabchemicals.com
2.	Principle-wise (as per NVGs) BR Policy/policies:	
	The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:	
	P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	
	P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	
	P3 Businesses should promote the wellbeing of all employees.	
	P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	
	P5 Businesses should respect and promote human rights.	
	P6 Business should respect, protect, and make efforts to restore the environment.	
	P7 Businesses, when engaged in influencing public and regulatory policy, should do so in	



a responsible manner.										
P8 Businesses should support inclusive growth and equitable development.										
P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.										
(a) Details of compliance (Reply in Y/N)										
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the “National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business” released by the Ministry of Corporate Affairs, Government of India.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Yes. The Business Responsibility Policy covering all nine Principles / Policies is approved by the Board in their meeting held on June 29, 2020 and signed by the Managing Director.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company will make a Committee to oversee the implementation of the Policy.								
6.	Indicate the link for the policy to be viewed online?	https://www.punjabchemicals.com/wp-content/uploads/2020/07/Business-Responsibility-Policy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies will be communicated to key internal stakeholders of the Company. The BR policies are communicated through this report and also through the website of the company.								
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders’ grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR Policies will be evaluated internally.								



No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
(b) If answer to the question at serial number 1 against any principle, is "No", please explain why: (Tick up to 2 options)										
1.	The company has not understood the Principles.	Not applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3.	The company does not have financial or manpower resources available for the task.									
4.	It is planned to be done within next 6 months.									
5.	It is planned to be done within the next 1 year.									
6.	Any other reason (please specify)									
3.	Governance related to BR:									
a.	<p>Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.</p> <p>Pursuant to amendments in the SEBI (LODR) Regulations, 2015 effective from 26th December, 2019, top 1000 companies based on market capitalization are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. Accordingly this is the first year of implementation.</p> <p>Therefore, endeavour is to develop system, which can support assessment of the BR performance of the Company at a regular interval.</p>									
b.	<p>Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?</p> <p>The Company is publishing Business Responsibility Report first time in the current financial year 2019-2020 as a part of Annual Report. The Business Responsibility Report can be accessed at the website of the Company i.e. www.punjabchemicals.com.</p>									
SECTION E: PRINCIPLE-WISE PERFORMANCE										
<p>Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.</p> <p>The Company firmly believe that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and establishment of good corporate culture is essential.</p> <p>The Management and Employees of the Company are committed to operate its business ethically in a manner such that all stakeholders i.e. investors, creditors, distributors, customers, employees, and even competitors, the governments and society at large, dealt within a fair manner. PCCPL has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company.</p> <p>The core value of PCCPL's ethical policy and practices are trustworthiness, respect,</p>										



	<p>responsibility, fairness, caring and with integrity, wherever it operates. PCCPL believe that the ethical behaviour of the company is predicted by the ethical behaviour of its owners, directors, managers and employees towards its stakeholders i.e. investors, creditors, distributors, customers, employees, the governments and society at large.</p> <p>The measurement of ethical behaviour revolves around</p> <ol style="list-style-type: none"> a. Fairness to all stakeholders; b. Transparency in all business dealings; c. Raising that trust and confidence of stakeholders in the way the company operates; d. Understanding and discharging societal responsibility; e. Long term thinking; f. Overcoming from greed, insecurity, and lack of confidence; g. Following every law of the land even when the law enforcers may not be able to detect the violation. <p>Besides above, it is also expected from every member of the Board and Senior management including the functional heads;</p> <ol style="list-style-type: none"> i. To participate in a company meeting, depending upon their eligibility and/ or requirement, and do not involve in related party transactions. ii. Do not take directorship in competitor’s company.
<p>1.</p>	<p>Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?</p> <p>The Company’s code of conduct and policy on Ethics, Transparency and Accountability covers the policy on bribery and anti-corruption and is applicable to its business associates, subsidiary, suppliers, contractors, NGOs and other entities, which are directly dealing with the company in business operations.</p>
<p>2.</p>	<p>How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.</p> <p>During the year under review, the Company did not receive any such complaint.</p>
	<p>Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.</p> <p>The Company, as a responsible organisation ensures that its products and manufacturing processes have minimal impact on the society and environment. The Company focuses on doing its business responsibly by driving sustainable practices across all its businesses.</p> <p>1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.</p> <p>We are manufacturing Performance Chemicals having products which incorporate positive environmental attributes. The Company strives to embed the principles of sustainability across various stages of product or service life-cycle and also aims to have a positive social impact through its operations.</p> <p>2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):</p>



<p>(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?</p> <p>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p> <p>The Company manufactures a wide range of Performance Chemicals. As consumption per unit depends on the product mix, there are no specific standards to ascertain reduction achieved at product level. Further refer to the 'Energy Conservation' Annexure which is a part of the Directors' report for the reduction/ optimization of resources and energy consumption achieved in our operations.</p> <p>3. Does the company have procedures in place for sustainable sourcing (including transportation)? Yes</p> <p>(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. The Company has formulated an operating procedure to approve vendors. Materials are procured from approved vendors both, local and international. The Company promotes responsible sourcing of raw materials across all locations.</p> <p>4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes</p> <p>(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors? The Company believes in uplifting the local economy in the vicinity of its operations by procuring material and services from local communities and vendors, wherever possible.</p> <p>5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. The Company believes in waste minimization and have mechanism to recycle products, wherever possible. This is a part of the drive for process efficiency and product stewardship.</p>
<p>Principle 3: Businesses should promote the wellbeing of all employees.</p> <p>The Company believe in wellbeing of its employees. Therefore, many schemes for their welfare have been implemented.</p> <p>1. Please indicate the Total number of permanent employees - 1089 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - 640 3. Please indicate the Number of permanent women employees - 53 4. Please indicate the Number of permanent employees with disabilities - Nil 5. Do you have an employee association that is recognized by management - Yes 6. What percentage of your permanent employees is members of this recognized employee association? - 68.5 %</p>



	<p>7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year - Nil</p> <p>8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? The employees of all the plants were covered for various safety trainings.</p>
	<p>Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. The Company has identified suppliers, customers, employees, local community and investors as its key stakeholders. The Company will have periodic engagement with these stakeholders to understand their problems.</p> <p>1. Has the company mapped its internal and external stakeholders? The Company will map its stakeholders in due course.</p> <p>2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? The Company will identify disadvantaged, vulnerable & marginalized stakeholders in the vicinity of its operations and engages with them regularly to address their needs and concerns in due course.</p> <p>3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so. The Company will take special initiative to engage with the disadvantaged, vulnerable and marginalized stakeholders. A Committee will be formed to short list these types of stakeholders.</p>
	<p>Principle 5: Businesses should respect and promote human rights. The Company respects and promotes human rights for all individuals. It is committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by business activities before or if they occur through human rights due diligence and mitigation processes.</p> <p>Wherever required, the Company will engage in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level.</p> <p>1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint ventures /Suppliers/ Contractors/NGOs/ Others? The Company has not framed any specific human rights policy. Though other policies like Whistle Blower and Sexual Harassment Policy deals with the issue of protecting the rights of all the employees on the company working in any business division of the company. The Company is motivated to safeguard the human rights of all stakeholders internal / external in true spirit. PCCPL discourages dealing with any business partners who are not serious in protection of Human Rights and have non-compliance at their end. At PCCPL employability of Child labour or forced labour is strictly prohibited.</p> <p>2. How many stakeholder complaints with respect to Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management?</p>



	Nil
	<p>Principle 6: Business should respect, protect, and make efforts to restore the environment. The Company values the long-term benefits of adhering to environmental best practices and is committed to respect, protect, and make efforts to restore the environment.</p> <p>1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures / Suppliers / Contractors / NGOs / others. The Policy related to Principle 6 covers only the Company.</p> <p>2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc. The Company has been actively addressing global climate change issues by adopting renewable energy and energy efficiency measures in its operations, and by planting trees.</p> <p>3. Does the company identify and assess potential environmental risks? Y/N Yes, the Company identifies potential risks and has assessed their potential impacts & probability of occurrence, identified mitigation measures and delegated responsibilities to mitigate potential environmental risks.</p> <p>The Company is serious and aware of healthy environment. The efforts to reduce air pollution by minimizing ash / dust particles in air and foul smell of chemicals and safety issues of the units is a continuous process. Moreover, the plants are regularly monitored by the concerned Pollution Control Department. There is always a risk of fire, explosions and air pollution. The Company has taken possible safety measures and follow necessary parameters for the safety of plant, people and its surroundings. Safety audits are conducted in routine by internal as well as external teams. The storage and safety aspects are regularly monitored. The head of the department of safety holds regular meetings and brief the people concerned so that they remain vigilant and alert. Proper safety systems are installed to minimize the after effects of any mis-happening in the premises and proper safety kits and training is given to employees. The Company stresses that not only inside of the plants but the surroundings should also remain safe and clean for the inhabitants.</p> <p>4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? The Company has not registered any projects under the Clean Development Mechanism.</p> <p>5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. The Company has taken various initiatives on conservation of energy and technology absorption, which is a part of the Directors' Report.</p> <p>6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes. The emissions/waste generated by the Company for Financial Year 2019-2020 are within permissible limits given by Central and State Pollution Control Boards.</p> <p>7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. As on March 31, 2020, there were no pending show cause or legal notices received from CPCB or SPCB, to the best of the Company's knowledge and understanding.</p>



	<p>Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.</p> <p>The Company operates with consistent, balanced and transparent approach with various regulatory authorities and social organisations as and when required.</p> <p>The Company engages with industry bodies and associations to influence public and regulatory policy in a responsible manner as and when required.</p> <p>1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: Yes. The Company is a member of Indian Chemical Council besides other business association like PHD Chambers, Chemxcil and Pharmexcil.</p> <p>2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)</p> <p>Yes. Sometimes on the matters related to the Company only.</p>
	<p>Principle 8: Businesses should support inclusive growth and equitable development.</p> <p>In order to achieve inclusive growth and equitable development, the Company believe that economic growth, social inclusion and environment protection must be harmonised. The Company through its various CSR projects for the local communities in the strategic theme areas identified on the basis of need assessment.</p> <p>1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. Yes. The Company has three strategic CSR themes - Education, Healthcare and Animal Husbandry and implements multiple projects close to its operations under each of these themes.</p> <p>2. Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization? The Company has adopted a collaborative approach to CSR and the in house team inspect the requirement and undertake activity with approval of the Committee.</p> <p>3. Have you done any impact assessment of your initiative? Yes, the improvement in infrastructure of few schools and eye operations of many local habitats speaks itself of impact on the Society and public of those areas.</p> <p>4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken? The Company undertakes Community Development Projects under the CSR Policy. The details have been given in the Annual Report.</p> <p>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so? The Company ensures that the initiatives undertaken under the aegis of CSR are thoughtfully selected, well-executed and accepted and valued by the intended beneficiaries.</p>



	<p>Ownership and participation by the community is encouraged in the initiatives to ensure self-sustenance of the initiatives in the long-run.</p>
	<p>Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.</p> <p>The Company believes that for a successful business, a consistent effort is essential to engage with and provide value to their customers and consumers in a responsible manner. PCCPL is committed to engage with and provide value to their customers and consumers in a responsible manner.</p> <p>1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.</p> <p>No consumer cases are pending.</p> <p>2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)</p> <p>NA</p> <p>3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.</p> <p>In the last five years, no case has been filed against the Company, and there is no pending case as on the end of the financial year, regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.</p> <p>4. Did your company carry out any consumer survey/ consumer satisfaction trends?</p> <p>No survey carried out because, Company's products goes to other Companies not to the consumer directly.</p>

For and on behalf of the Board of Directors

MUKESH DAHYABHAI PATEL
CHAIRMAN
DIN:00009605

Place: Baroda
 Date: 29th June, 2020