



**PUNJAB CHEMICALS
AND CROP PROTECTION LTD.**

CORPORATE SOCIAL RESPONSIBILITY POLICY

CIN NO.: L24231PB1975PLC047063

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Introduction:

We at Punjab Chemicals and Crop Protection Limited (PCCPL) firmly believe in Corporate Social Responsibilities (CSR) and commit to take initiatives to contribute to harmonious and suitable development of the Society through our business activities. We carry out the work directly and / or through other committed institutions. Corporate Social Responsibility Policy (CSR Policy) of PCCPL focuses on endeavours, critical, social environment and economical needs of the under-privileged section of the society.

Objective:

To accomplish PCCPL's philosophy of inclusive growth and sustainable and equitable development by formulating CSR Annual Action Plan and to outline the activities or work areas for CSR.

Scope:

This Policy shall apply to all CSR activities to be undertaken by PCCPL and shall fulfill all the requirements of Section 135 and in line with Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

Focus:

PCCPL to give preference to sustainable, empowered and harmonious development of society / community with reference to the following –

- Local needs around our operational locations / corporate office.
- National needs for relief in case of National disaster / emergency.

The Company will lay its focus on CSR activities/programmes around its operational locations or/and elsewhere in the country in compliance with the subjects and areas specified in Schedule VII of the Companies Act, 2013 . The areas of focus include Punjab, Pune and Mumbai.

Local area means the State in which Company has presence. The Company is present in the state of Punjab and Maharashtra. CSR project spend covering these states shall be categorized as local spend.

Key Focus Areas:

- Education
- Health and Safety
- Rural Infrastructure Development
- Environment conservation and sustainable development
- Women empowerment
- Animal husbandry

Implementation:

In accordance with sub-section (1) of section 135 of the Companies Act 2013, the Company has a CSR committee to advise on the company's CSR policy and monitor the CSR activities. All projects are identified as per the needs of the community.

The Company shall undertake the CSR activities: -

- Directly;
- Through various implementing agencies such as, NGO's, non-profit organizations, etc as specified in the Companies (CSR Policy) Rules, 2014 and Companies Act, 2013.

Responsibility of the Board of Directors

The Board of Directors shall nominate a CSR Committee which consists of three or more Directors, with at least one independent Director.

The Constitution of CSR Committee of the Company is as under –

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Mukesh D Patel	Chairman	Independent Director
2.	Mr. Shail S Shroff	Member	Executive Director
3.	Capt. Surjit Singh Chopra	Member	Non Independent Director
4.	Ms. Aruna R Bhinge	Member	Independent Director

In addition, the Board in accordance with the CSR Amendment Rules, 2021 shall

1. Approve the CSR Policy and the CSR Expenditure after taking into consideration the recommendations made by the CSR Committee;
2. Ensure the CSR spending every financial year of at least 2% of average net profits made during the three immediately preceding financial years, in pursuance with the Policy;
3. Ensure that CSR activities included in the CSR Policy are undertaken by the Company and that such activities are related to the activities specified in Schedule VII of the Companies Act;
4. Ensure disclosure on the Directors' Report and website detailed as required under CSR Rules, stated as under:
 - a) contents of the CSR Policy
 - b) composition of the CSR committee
 - c) an annual report on CSR as per the format prescribed in Companies Act 2013, as amended from time to time
 - d) all Board approved CSR projects
 - e) reasons for failure (if any) to spend required amount on CSR activities
 - f) to ensure that the funds are utilized for approved purpose and shall be certified by Chief Financial Officer (CFO) of the Company
5. To monitor Ongoing CSR projects and modify the same on reasonable justification from the CSR Committee to approve annual action plan;
6. To monitor admin expenses and restrict the same to 5% of the CSR spend; and
7. In case of excess spend in any given year, pass resolution to allocate the same to succeeding financial years, limiting to three financial year.
8. Satisfy that the funds disbursed have been certified by the Chief Financial Officer or the person responsible for the financial management.

Duties and Responsibility of CSR Committee:

1. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act; the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendments thereof;
2. Prepare the annual report of the CSR activities undertaken by the Company and submit such report to the Board for approval apprised by the Company Secretary;
3. Recommend to the Board the modalities of utilization of funds and implementation schedules for the projects or programmes;
4. To review the monitoring, evaluation and reporting mechanism for the projects or programmes;
5. The Board may alter such plan any time during the financial year, as per recommendation of the CSR Committee; and
6. To review the details of need and impact assessment, if any, for the projects undertaken by the Company

Disclosure and Reporting

The Board in its Annual Report shall include the details of the CSR activities undertaken in the Financial Year. The particulars to be stated in the report shall be in accordance with the provisions of Section 135 of the Companies Act, 2013 read with CSR rules.

PCCPL shall display on its website the contents of its CSR Policy and other information as may be required to be displayed. PCCPL shall mandatorily disclose the followings on its website:

- Composition of CSR Committee
- CSR Policy
- Projects approved by the Board, if any

CSR Activities as per Schedule VII of the Companies Act, 2013

PCCPL aligns its CSR activities as per categories listed below under Schedule VII of the Companies Act, 2013: -

- 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 vocational 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 including contribution to the Clean Ganga Fund set-up 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 art and handicrafts;
- VI. measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- 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 Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the scheduled caste, tribes, other backward classes, minorities and women;
- IX. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
- X. rural development projects;
- XI. slum area development; and
[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.]
- XII. disaster management, including relief, rehabilitation and reconstruction activities.

Activities that do not qualify as CSR:

The company chooses not to consider the following activities as its CSR initiatives:

- a) CSR activities must not include the activities undertaken in pursuance of normal course of business of the Company;

- b) Projects, programmes, activities or monies spent exclusively that benefit the employees of the Company and their families [as defined in clause (k) of section 2 of the Code on Wages, 2019) and their families];
- c) Activities, if any, undertaken outside India, except for training of Indian sports personnels representing any state or union territory at the national or international level;
- d) Activities, if any, supported on “sponsorship basis” for deriving marketing benefits for its products or services. One-off events such as marathons/awards/ charitable contributions/ advertisements/ sponsorships of TV Programmes etc.;
- e) Contributions made, if any, to any political party under section 182 of the Companies Act, 2013; and
- f) Expenses incurred for the fulfillment of any Act/ Statute of regulations/ any other statutory obligations under any law in force in India.

Review and Amendment

The Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Companies Act, 2013 and the CSR Rules.

The CSR Policy has been approved by the Board at its meeting held on 16th March, 2023.

Shalil S Shroff
Managing Director