

CORPORATE SOCIAL RESPONSIBILITY POLICY

AIMCO PESTICIDES LIMITED

INTRODUCTION

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of Aimco Pesticides Limited (“the Company”) was constituted by the Board of Directors.

The composition of the said Committee comprises of four directors

Mr. Dushyant Patel (Chairman)

Mr. Ashit Dave (Member)

Dr. Samir Dave (Member)

Mr. Suresh Bhatt (Member)

OBJECTIVE

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto. Our aim is to be one of the most respected corporate citizens in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees.

Corporate Social Responsibility [CSR] is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

CSR VISION

The Company's CSR philosophy is 'Do Good to Do Well and Do Well to Do Good'. Aimco Pesticides Limited is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry, and society at large.

At Aimco Pesticides Limited, CSR has effectively evolved from being engaged in passive philanthropy to corporate community investments, which takes the form of a social partnership initiative creating value for stakeholders.

The Company's CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

SCOPE

This Policy shall apply to all CSR projects/programs /activities undertaken by the Company in India as per Schedule VII of the Act.

DEFINITIONS

1. Corporate Social Responsibility (CSR) means and includes but is not limited to:

Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').

2. CSR Committee (CSRC) means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

3. CSR Policy (CSRP) relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.

4. Net Profit means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

COMPOSITION:

The Corporate Social Responsibility Committee ('CSR Committee') shall consist of three or more Directors amongst whom at least one shall be an Independent Director.(if any)

The Committee may formulate a CSR Sub-Committee with such other Directors / Executives of the Company from time to time as it may deem necessary and expedient.

The Company Secretary shall act as the Secretary to the Committee.

CSR Committee

- Role: Guiding, Approval and Monitoring
- Responsibilities: The CSR Committee is responsible for formulation and final recommendation of the CSR Policy and Annual Action Plan to the Board of the Company. The Committee will approve the project, recommend the amount to be spent, set project selection guidelines and monitor implementation to ensure spending is undertaken as per policy guidelines. The committee will meet at least twice a year to review progress. This can be a physical meeting or through a combination of video conferencing. The minutes of the meetings shall be signed by the Chairperson and regularly shared with the Board of Directors.

BOARD

Role:-

- Approval and Oversight

Responsibility: -

- The Board shall approve the CSR policy and oversee that identified work is duly undertaken and in each financial year at least 2% of average net profit of preceding three financial years is spent effectively.
- The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

- The Board will also ensure disclosure of the names of CSR Committee members, the content of the CSR policy and reporting of its CSR activities on the Company website, and in the Annual Reports in the prescribed format.
- Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure.
- Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board / CSR Committee and the Chief Financial Officer shall certify to the effect.
- Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of the Company shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.

APPLICABILITY OF THE POLICY

1. The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India. Further this Policy is revised to conform with the amendments in the Act and the Rules.

2. This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under - privileged.

CSR Expenditure. –

(1) The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

(2) Any surplus arising out of the CSR activities shall not form part of the business profit of a 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.

(3) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, 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, in pursuance of sub-rule (2) of this rule.

(ii) the Board of the company shall pass a resolution to that effect.

(4) The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by -

(a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or

(b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or

(c) a public authority: Provided that any capital asset created by a company prior to the commencement of the Companies

(Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

CSR Implementation. –

(1) The Board shall ensure that the CSR activities are undertaken by the company itself or through -

(a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or

(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

(c) any entity established under an Act of Parliament or a State legislature; or

(d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

(2) (a) Every entity, covered under sub-rule (1), who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021:

Provided that the provisions of this sub-rule shall not affect the CSR projects or programmes approved prior to the 01st day of April 2021.

(b) Form CSR-1 shall be signed and submitted electronically by the entity and shall be verified digitally by a Chartered Accountant in practice or a Company Secretary in practice or a Cost Accountant in practice.

(c) On the submission of the Form CSR-1 on the portal, a unique CSR Registration Number shall be generated by the system automatically.

(3) A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

(4) A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

(5) The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

(6) In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period. ”

CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place. The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

Disclosure of the policy:-

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

CSR REPORTING

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

QUORUM

Minimum two (2) members shall constitute a quorum for the Committee meeting.

CHAIRMAN

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

SECRETARY

The Company Secretary, if any, of the Company shall act as Secretary of the Committee.

MINUTES OF THE COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

MISCELLEANOUS

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

Meeting:-

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would thrive to hold at least two meetings in a financial year. The Committee shall periodically review the implementation of the CSR Programmes and issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy. It would be the responsibility of the CSR Committee to periodically keep the Board apprised of the status of the implementation of CSR activities.

ENGAGEMENT OF INTERNATIONAL ORGANISATIONS

The Company may engage international organisation(s) for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of its personnel for CSR.

CSR ANNUAL ACTION PLAN (CAAP)

The CSR Committee shall formulate and recommend to the Board of Directors, a CAAP in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism, etc.

The Board of Directors may approve the CAAP with such further conditions as it deems fit and further alter CAAP at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

Illustrative list of PROGRAMMES/PROJECTS that may be undertaken:

1. Eradicating hunger, poverty and malnutrition, [“promoting health care including preventive health care”] and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. 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].

5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, Nationally recognised sports, Paralympic sports and Olympic Sports
8. Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
10. Rural development projects.
11. Slum area development.
12. Any other activities as amended from time to time under Companies Act, 2013.

CSR PROGRAMMES/PROJECTS

Aimco Pesticides Limited will focus on projects/programmes given in Schedule VII

GENERAL

- Words and expressions used but not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the CSR Rules made thereunder or in any amendment thereto. This Policy shall also be subject to such clarifications and FAQs as may be issued by MCA from time to time.
- In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference should be made to Corporate CSR Department. In all such matters, the interpretation & decision of the CSR Committee shall be final.
- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government, from time to time.
- The Company reserves the right to modify, cancel, add, or amend any of these Rules.
- This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.