

**CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
WATSON & CHALIN INDIA PRIVATE LIMITED**

I. BACKGROUND

The Corporate Social Responsibility Committee is constituted by the Board of Directors of WATSON & CHALIN INDIA PRIVATE LIMITED ("the Company") at their meeting held on 5th August, 2016 in compliance with Section 135 of the Companies Act, 2013 ("the Act") read along with Schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the Rules).

II. POLICY OBJECTIVE

The objective of the CSR Policy ("Policy") is to lay down the guiding principles in implementing the Corporate Social Responsibility ("CSR") obligation of the Company within the meaning of section 135 of the Act read with Schedule VII of the Act and the Rules.

III. APPLICABILITY

The policy shall be applicable to all CSR activities of the Company whether carried by it or through any implementation agency with effect from the date the Policy is approved by the Board of Directors.

IV. CSR COMMITTEE

CSR Committee means the committee of the Board of Directors constituted in terms of the Act and the Rules.

Presently the CSR Committee comprises of four directors viz:

- (i) Mr. Mohit Khosla, Chairman
- (ii) Mr. Richard Lee Mudd III, Member
- (iii) Mr. Srinivas Suman Iyer, Member
- (iv) Mr. Pankaj Prakash, Member

The CSR Committee may meet at such intervals as may be considered appropriate by the Committee or as and when required.

V. ROLE OF THE COMMITTEE

- i. To draft the CSR Policy and recommend the same to the Board for approval.
- ii. To review and recommend the CSR initiatives to be taken up by the Company including the selection/appointment of implementation agencies, if any.
- iii. Review the progress of CSR projects, if any undertaken by the Company and the utilization of budgets for each such project.
- iv. Review and recommend the CSR report to be included in the Board's report.
- v. Review and recommend any amendments to be made in the CSR policy of the Company.
- vi. To carry such other functions as may be delegated to it by the Board relating to CSR activities of the Company.

VI. SCOPE OF CSR ACTIVITIES

The Board and the CSR Committee shall ensure that the CSR activities that are undertaken by the Company are within the scope of the activities are permissible under Schedule VII of the Act, which are currently the following:

- i. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to 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 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 centres 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 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;
- vii. training to promote rural sports, nationally recognised 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 the Central Government;
- x. rural development projects.
- xi. Slum area development

VII. CSR EXPENDITURE

In compliance of the Act and the Rules and with the approval of the Board of Directors, the Company shall, in each financial year, set aside a sum equivalent to at least 2% of the average net profits of the Company for the three immediately preceding financial years ("CSR Corpus"). The CSR Corpus of each financial year shall be spent on or before 31st March of the relevant financial year.

Any surplus arising out of the contribution made for CSR activities shall not form part of the business profit of the Company.

VIII. CSR IMPLEMENTATION

The Company may implement / undertake CSR activities / programs by:

- (i) Undertaking CSR activities itself; or
- (ii) Making contribution to any eligible government floated funds; or
- (iii) Undertaking CSR activities in collaborations with or through any eligible non-government organization.
- (iv) Collaboration with other companies provided that the CSR Committees of the respective companies are in a position to report separately in accordance with the Rules; or

- (v) a company established under section 8 of the Act or a registered trust or a registered society, established by the Company, either singly or along with any other Company, or
- (vi) 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 any entity established under an Act of Parliament or a State legislature. Provided that if, the Company decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified in the Rules, such company or trust or society shall have an established track record of three years in undertaking similar programs or projects; and the Company shall specify the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

IX. MONITORING OF CSR ACTIVITIES

In case the Company decides to undertake CSR activities on its own or through an implementation agency, the CSR committee of the Company will be responsible for the monitoring of various CSR projects or programs undertaken by the Company directly or indirectly. The Committee shall ensure that:

- i. Company undertakes the CSR activities as provided in the CSR Policy.
- ii. The projects/ programs are implemented as per the program approved by the Board of Directors.
- iii. The budget allocated for each of the project is utilized for the projects as per the approved plans.
- iv. The objective of the project/program is achieved as per the plans.

X. EXCLUSION FROM CSR

The following activity shall not form part of the CSR activities of the Company:-

- i. The activities undertaken in pursuance of normal course of business of the Company.
- ii. CSR projects/programs or activities that benefit only the employees of the Company and their families.
- iii. Any contribution directly/indirectly to political party under Section 182 of the Act.
- iv. Any CSR projects/programs or activities undertaken outside India.

X. REPORTING

At the end of each financial year, the CSR committee shall prepare a report of the CSR program outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the amount spend on CSR activates and other information as required under the Act, in the prescribed form and submit the same to the Board of Directors for its inclusion in the Board's report.

XII. AMENDMENT OF POLICY

The CSR Policy of the Company may be amended at any time by the Board of Directors the Company on the recommendation of the CSR committee and in accordance with the amendments, if any, to the Act, the Rules made there under or any other applicable enactment for the time being in force.