



HIKAL®

CORPORATE SOCIAL RESPONSIBILITY POLICY

Objective

At Hikal we believe that Corporate Social Responsibility (CSR) is an integration of the Community's Economic, Environmental and Social aspirations with the Company's business goals and objectives for sustainable growth and development. In order to ensure social development, we would like to emphasize the following thrust areas:

1. Education and skills development,
2. Environment and ecological protection,
3. Health care and hygiene and
4. Protection of art and culture.

As a socially responsible corporate member of the world community, with long enduring relationships we believe that the future of our business is best served by respecting the interests of the Society at large. Through our efforts we shall strive to improve the living standards of the surrounding community. Our CSR activities shall aim to bring a difference in the lives of the needy, under privileged persons of the society including children, women and senior citizens.

Areas to be covered under CSR

1. Promoting education including employment & livelihood enhancement vocation skills especially among children.
2. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources.
3. Promoting healthcare including preventive health care and sanitation.
4. Protection of art and culture including works of art and promotion and development of traditional art and handicrafts.
5. 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.
6. Overall developmental activities in areas surrounding our manufacturing sites for the benefit of the society.

Organisational mechanism and responsibility:

1. CSR programmes / projects as may be identified by the Management within the framework of CSR areas mentioned above shall be required to be put up to the CSR committee for approval.

HIKAL LTD

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2. The CSR committee shall recommend to the Board the programmes / projects specifying the modalities of execution and the amount of expenditure to be incurred on the same. The Board shall approve the recommendations of the committee.
3. The committee shall appoint person/s who shall be responsible for ensuring compliance in their areas for the related CSR programmes / projects.
4. The Board shall endeavor to spend in every financial year 2% of the average net profits of the Company made during the three immediately preceding financial year in pursuance of this policy as per the related provisions under the Act and rules thereunder. CSR expenditure shall be all expenditure including contribution to corpus or on projects or programmes relating to CSR activity areas mentioned in this policy.
5. Appropriate documentation of CSR policy, annual CSR activities, executing partners and expenditures entailed shall be undertaken on a regular basis.
6. Compliance of this policy including implementation schedules for such CSR projects / programmes shall be periodically monitored by CSR committee subject to the review by the Board of Directors from time to time.
7. For meeting the requirements arising out of immediate and urgent situations with regard to formulated CSR projects / programmes, the Chairman and Managing Director is authorized to approve such proposals in terms of the empowerment accorded to him by the CSR committee.
8. The contents of the policy and Annual report on CSR activities to be included in the Board Report and shall also be placed on the Company's website as per the particulars specified in the Act.
9. Any surplus arising out of the CSR Projects or programmes or activities shall not form part of the business profit of the company.

The CSR committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

Implementation

1. Project activities identified under CSR are to be implemented either by personnel of the Company or through registered trust or a registered society.
2. The time duration of each project / programme shall depend on its nature and intended impact.
3. Projects which will require considerable finances will be undertaken over a wider time frame like 2 to 5 years.

General

1. In case of any doubt with regard to any provision of the policy and also in respect of the matters not covered herein, a reference can be made to the CSR committee. In all such matters the interpretation and decision of the Chairman and Managing Director of the Company is final.
2. Any or all provisions of the CSR Policy would be subject to revision / amendment in consultation with CSR committee and in accordance with the guidelines on the subject as may be issued by the Government of India from time to time.
3. The Company reserves its right to modify, cancel, add, or amend any of these rules. However this policy in whole or in part shall stand modified / amended from time to time without any further act on the part of the Company as and when there would be any statutory modification(s) / amendment(s) / revision(s) to the applicable provisions thereto.

As approved by the Board of Directors of Hikal Limited at its meeting held on 6th May 2014.

For Hikal Limited



Jai Hiremath
Chairman and Managing Director