

POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

PHS LIFE SCIENCES PRIVATE LIMITED

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PHS LIFE SCIENCES PRIVATE LIMITED

POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) has evolved during last few decades from simple philanthropic activities to integrating the interest of the business with that of the communities in which it operates. By exhibiting socially, environmentally and ethically responsible behaviour in governance of its operations, the business can generate value and long-term sustainability for itself while making positive contribution to the betterment of the society.

In accordance with the provisions of Section 135 of Companies Act, 2013, read-with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2013, the Corporate Social Responsibility (CSR) Policy of PHS LIFE SCIENCES PRIVATE LIMITED ("the Company") was formulated by the Board of Directors of the Company. This policy will be subject to the provisions of the aforesaid Act and Rules (as amended from time to time).

1. Objective

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

2. Policy Statement , Framework & Scope

To enable the company to retain its positioning as a responsible corporate entity spearheading socio-economic transformation of the Rural communities Areas. Building on the experience of company in working with the grassroots communities, the evidence is clear that provisioning of sustainable livelihood has helped them people to come out of the vicious cycle of poverty while continuing to live in their traditional rural habitations. The Company has been instrumental in organizing skill trainings for such communities comprising the base of the economic pyramid, thus qualifying them to become a part of its global carpet value chain without sacrificing their avenues for alternative livelihoods. Such economic empowerment of the grassroots communities also opens various avenues for social security and development linkages, thus reaffirming livelihood security as the first step toward the other developmental imperatives. This Policy shall apply to all CSR projects/ programmers /activities undertaken by the Company in India as per Schedule VII of the Act.

3. CSR Committee

The Board of Directors of the Company shall constitute a committee called the "Corporate Social Responsibility Committee" ("CSR Committee") in accordance with the provisions of Companies Act, 2013 and rules made there under. The CSR Committee will consist of 3 or more directors or such other number of directors as the Board of Directors of the Company may determine from time to time. The Board of Directors may change the composition of the CSR Committee from time to time in such manner as it thinks fit.

Subject to provisions of Companies Act, 2013 and rules made thereunder, the CSR Committee may meet at such intervals, in such manner and may carry out matters in such manner and function generally as per such guidelines as it deems fit.

As per Section 135 (9) of The Companies Act, 2013 the amount to be spent for CSR activities as provided in section 135 (5) does not exceed fifty lakh rupees hence there is no requirement for constitution of CSR Committee and the functions shall be discharged by the Board of Directors of company.

4. Role of the Board

Approve the CSR Policy and the CSR Expenditure. Ensure the CSR spending every financial year of at least 2% of average net profits made during immediately preceding 3 financial years, in pursuance with the Policy.

Ensure disclosure of the contents of the CSR Policy on the www.phslifesciences.com. Preparation of annual report on the CSR in the prescribed format as per the Companies Act, 2013.

5. CSR Initiatives and Activities :

The Company may adopt any one or more of the following initiatives and activities as enumerated in Schedule VII of the Companies Act, 2013 or as may be amended from time to time under this CSR Policy

1. Eradicating hunger, poverty and malnutrition, promoting 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 specially among children, women, elderly and differently able 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 centers 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 and 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 library; promotion and development of traditional art and handicrafts
6. 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.
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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled 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 Government
10. Rural Development Projects.
11. Slum area development. Slum area means 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.
12. Disaster management, including relief, rehabilitation and reconstruction activities

6. Target Group

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

7. 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

The respective CSR personnel will present their annual budgets alongwith the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

8. CSR Expenditure

The Board of Director shall endeavor to the best of it's efforts that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years and computed in accordance with the provisions of 198 of Companies Act, 2013 read-with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Any surplus arising out of CSR projects, programs and activities shall not form part of the business profits of the Company.

Further, the Company will report reasons for under spending, if any, of the allocated CSR budget of the current financial year in Board's Report under the signatures of the Board of Directors of the Company.

9. 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.

10. 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.

11. 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 CSR Policy shall also be subject to such clarifications and FAQs as may be issued by Ministry of Corporate Affairs from time to time. In case of any doubt with regard to any provision in the Policy and also in respect

of matters not covered herein, a reference will be made to CSR Committee and the interpretation & decision of the CSR Committee shall be final. The CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by the Government, from time to time. The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this policy entirely with a new policy. In case of any subsequent changes in the provisions of the Act which makes any of the provisions in this Policy inconsistent with the Act, then the provisions of the Act would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with the Act. The aforesaid CSR Policy has been recommended by CSR Committee and approved by the Board of Directors of the Company.