

Walchandnagar Industries Limited

Corporate Social Responsibility Policy

(Effective from August 11, 2014)

Corporate Social Responsibility Policy

WIL Philosophy:

As a responsible corporate citizen, Walchandnagar Industries Limited, an ISO 9001:2008 certified Company, carrying a legacy of more than 100 years of Engineering Excellence is conscious of its obligations towards the society and during last several decades has taken several social initiatives aimed at providing help, support, relief and empowerment to different segments of society, particularly to those in the proximity of its areas of operations. It has been making efforts to make difference in the lives of children, women, senior citizens and youth in respect of their education, health, cultural development, sports activities etc.

To WIL, CSR means recognizing the society as one of the stakeholders in the activities of the company and make available a part of the Company's resources for the upliftment, benefit and empowerment of different segments of society whereby they can access better opportunities for self development and progress. The initiatives taken and work already done by WIL in and around Walchandnagar and elsewhere on various community welfare projects demonstrates its belief in, and commitment towards CSR.

This policy seeks to carry forward the work already done and being done by WIL in this sphere, and align it with the CSR framework mandated under the Companies Act, 2013.

CSR Policy:

In the context of WIL's own philosophy and the legal mandate under the Companies Act, 2013, Corporate Social Responsibility can be described as one of the important tenets of business ethics. CSR represents the awareness on the part of Corporate Citizens of the need to do their business activities on the basis of the tenets of equity, justice and empowerment simultaneously with their progress and growth.

WIL CSR Committee:

Pursuant to the provisions of section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility policy) Rules, 2014, WIL Board of Directors constituted a CSR Committee comprising of 3 directors, to implement the provisions of above said Section, read with Schedule VII to the Companies Act, 2013 as follows:

Mrs. Bhavna Doshi (Independent Director)	-Chairperson
Mr. G. K. Pillai (Managing Director & CEO)	-Member
Mr. Chirag C. Doshi (Managing Director)	-Member

Role of CSR Committee:

The Committee shall,

- a. Formulate and recommend to the Board CSR Policy of the Company and changes therein from time to time
- b. approve the projects / programmes/ activities to be undertaken by the Company pursuant to the CSR Policy
- c. recommend to the Board the amount of expenditure to be incurred on the programmes / projects / activities referred to above
- d. institute a transparent monitoring mechanism for implementation of this CSR policy and the CSR projects / programmes / activities undertaken by the Company
- e. recommend to Board new CSR activities that may be undertaken by the Company

Role of the Board:

The Board of Directors of the Company shall:

- a. Approve the CSR Policy and changes therein on the recommendation of the CSR Committee
- b. Ensure that the activities that are included in this CSR Policy are undertaken by the Company
- c. Ensure that the Company spends every year at least 2% of the average net profits of the Company for the three immediately preceding financial years on the CSR projects/ activities
- d. Disclose in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR policy on the Company website.
- e. As per Section 135, specify the reasons for under-spending, if any, of the allocated CSR budget in the Board's Report.

Broad Objectives of this CSR policy:

- To proactively support and supplement Governments development efforts for achieving larger social well-being through CSR Activities.

- To reinforce WIL's commitment to social welfare in particular, by continuing support to Environment, Education, Health and Sports related activities.
- To instill a sense of equity, justice and social service among employees of WIL and encourage them to participate in CSR activities.

Scope:

1. The Company's CSR policy has been laid down in accordance with Section 135 of the Companies Act 2013 on CSR and in accordance with the CSR rules notified there under by the Ministry of Corporate Affairs, Government of India.
2. The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.
3. This policy shall be applicable to WIL at all its locations and all its employees.
4. The activities undertaken in pursuance of Company's normal course of business shall not form part of CSR activities.
5. Programmes or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities.

CSR Budget:

The project / activity wise expenditure to be incurred will be recommended by the CSR Committee to the Board for its consideration and shall be approved by the Board.

The surplus, if any arising out of CSR projects or programmes or activities shall not form part of the business profits of the company.

Minimum 2% of the average net profits of the Company made during the three immediately preceding financial year shall be spend by the Company on CSR activities.

Focus Areas of CSR Activities:

In line with the CSR activities specified in Schedule VII of the Companies Act, 2013, the Company has identified the following CSR activities as the focus areas of CSR.

1. Education, including Skill Building and Vocational training
2. Healthcare
3. Promotion of sports
4. Protection of environment and ecology
5. Relief to victims of Natural Calamities like Earthquake, Cyclone, Draught and Flood situation in any part of the Country.

The Company intends to give special focus for empowerment of Women and welfare of Senior Citizen in all the focus areas of the CSR activities as mentioned above.

Education:

The Company considers that education is a powerful tool to empower and bring about social transformation. Education builds competencies & skills and makes a qualitative difference in the lives of people.

The Company intends to undertake the following specific CSR programmes in this area:

- a. Management & Running of Schools / Colleges including Vocational Training
- b. Scholarships to meritorious and needy students, including in particular to those who are physically challenged and support to girl students
- c. Capacity building for Teachers / Trainers
- d. Setting up and maintenance of libraries.

Healthcare

- a. Establishing and running hospital/s and / or clinic/s.
- b. Granting medical aid to needy

Promotion of Sports including rural sports:

- a. Organising / sponsoring Sports events, including rural sports
- b. Instituting awards for sports persons
- c. Building sports academies and training centres for various sports

Protection of Environment & Ecology, Prevention / control of pollution:

- a. Developing and maintaining gardens for public use
- b. Arranging programmes for environmental awareness
- c. Tree planting campaigns

Programme Monitoring:

The CSR programmes / activities undertaken shall be monitored by Mr. Hiren Buch Chief Financial Officer of the Company or such other person as may be authorized by Mr. G. K. Pillai, Managing Director & CEO of the Company and will be reviewed by the CSR committee.

Employee Participation:

The Company shall encourage employee participation at all levels in the CSR programmes of the Company and arrange for their appropriate training wherever necessary.