

United States Pharmacopeia – India Private Limited

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

INTRODUCTION

The Company has formulated this Corporate Social Responsibility Policy (hereinafter referred to as “Policy”).

The objective of the Policy is to provide guidance to the Company, its stakeholders and employees on CSR activities which USP India may undertake in furtherance of its Mission. Corporate Social Responsibility is rooted in our history and is governed by international standards and best practices and guided by our Mission and our status as a scientific nongovernmental organization. Through the efforts of each of our employees, the Company is determined to take pride in being responsible, respected, and welcomed.

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- a. Companies Act, 2013
- b. Companies (Corporate Social Responsibility Policy) Rules, 2014

1. DEFINITIONS OF TERMS OR EXPRESSIONS

Capitalized terms used herein are defined in context and shall have the meanings given to them in the Definitions:

- a) “Act” shall mean the Companies Act, 2013;
- b) “Applicable Laws” means, all laws, promulgated or brought into force and effect by the Government of India or the Government of Telangana including, the regulations and rules made thereunder, and judgments, decrees, injunctions, writs and Orders of any Court of record, as may be in force and effect during the subsistence of this Policy.
- c) “Company” shall mean United States Pharmacopeia – India Private Limited having its registered office at D6-D8, IKP Knowledge Park, Genome Valley, Shameerpet, Hyderabad , Telangana -500078.
- d) “Corporate Social Responsibility” shall mean and includes but is not limited to;
 - i) Project or programs relating to activities specified in Article 5; or
 - ii) Projects or programs relating to activities undertaken by the Board of Directors of the Company (Board) in pursuance of recommendations of the CSR Committee as per CSR policy
- e) “CSR Committee” shall mean Corporate Social Responsibility Committee of the Board.

f) "Policy" shall mean this policy notified by the Company as the Company's Policy for activities to be undertaken as Corporate Social Responsibility initiative.

g) "Net Profit" shall mean the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:

i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and

ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of Sec 135 of the Act.

h) "Rules" shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014;

Words and expressions used and not defined in this Policy but defined in the Act/Rules shall have the same meaning respectively assigned to them in the Act/Rules.

2. SCOPE OF THE POLICY

a) This Policy shall be called the Corporate Social Responsibility Policy and shall be effective from April 1, 2014. The Company shall undertake CSR activities through the Company's or any registered trust or foundation which may be set up by the Company as a non-profit organization, with a mission to

improve global health through public standards and related programs that help ensure the quality, safety, and benefit of medicines and foods in India.

3. COMPOSITION OF CSR COMMITTEE

a) CSR Committee shall be constituted by the Board for the implementation of activities to be undertaken under this Policy.

b) CSR Committee shall consist of at least 2 members to be nominated by the Board. All members of the CSR Committee shall be also members of the Board of the Company. The Board shall appoint one of the members of the CSR Committee as Chairman.

c) The Board may at its discretion change the constitution of the CSR Committee, remove a member(s) and reappoint new member(s).

d) The term of office of a member of the CSR Committee will generally not be set beforehand.

e) Any member of the CSR Committee appointed in his/her capacity as an employee shall cease to be a member of the CSR Committee on ceasing to be an employee / director for any reason whatsoever.

4. POWERS AND DUTIES OF CSR COMMITTEE

The Powers and duties of the CSR Committee shall be as follows, namely;

a) indicate the activities to be undertaken by the Company;

b) delegate the powers to the authorized personnel to keep track of donation provided and ensure that the recipient is eligible for donation;

- c) recommend the amount of expenditure to be incurred on the such activities;
- d) institute a transparent monitoring mechanism for implementation of the CSR Projects;
- e) ensure compliance with the Policy in all actions taken under, or in connection with this Policy;
- f) ensure that the surplus arising out of the CSR Projects shall not form part of the business profit of the Company; and
- g) keep record and prepare a CSR report at the end of the year as later defined in this Policy. CSR Committee may only exercise such powers as are explicitly attributed or delegated to it by the Board and may never exercise powers beyond those exercisable by the Board as a whole.

5. ACTIVITIES TO BE UNDERTAKEN

- a) For the realization of the Corporate Social Responsibility, the following programs, contributions may be undertaken by the Company;
 - i) Global Public Health Programs
 - ii) Scientific Education Programs
 - iii) Public Education Programs
 - iv) Contributions to rehabilitation centers
 - v) Contribution to impaired children fund, trusts etc
 - vi) Contributions to Prime Minister or Chief Ministers relief fund
 - vii) Any other program or contributions approved by the Board of Directors from time to time

6. ROLE OF THE BOARD OF DIRECTORS

- a) Approve the amount to be spend on CSR activities as recommended by the CSR Committee;
- b) Ensure that appropriate disclosures are made in the Board's Report including composition of CSR Committee;
- c) Ensure CSR activities are undertaken by the company as per the Act, Rules and this Policy and direction of the CSR Committee;
- d) Ensure that the Company spends 2% of average net profits under this CSR Policy;

7. MONITORING PROCESS

- a) CSR Committee shall assess and monitor the activities undertaken during the year in following ways:
 - i) obtain reports on use of the donation and make sure that the recipient is eligible for donation;
 - ii) ensure written requests from the recipient in the form of "Requisition Form" is in place.
 - iii) ensure that Board's Report pertaining to a financial year shall include an annual reporting on CSR activities;
 - iv) disclose contents of this Policy in its Annual Report and displayed on the Company's website.
 - v) determine the need for further action, and possible changes and improvements in Policy, or in actions taken to implement them.

b) The Company shall provide all necessary assistance for the purpose of ensuring full effective and speedy implementation of this Policy in accordance with the provisions of the Act.

8. MISCELLANEOUS

a) Notwithstanding anything stated elsewhere, the Policy shall be subject to the provisions of the Act.

b) The CSR Committee shall periodically review the provisions of the Policy and its implementation. Subject to the approval of the Board of Directors, The CSR Committee shall be entitled to amend the provisions of this Policy from time to time, as it may deem fit.