

Corporate Social Responsibility Policy

1. Purpose

The Corporate Social Responsibility Policy (“CSR Policy”) of Apicore Pharmaceuticals Private Limited has been formulated by the CSR Committee and approved by the Board of Directors at its 49th meeting held on 30th day of June, 2022.

This policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations.

The activities enlisted in this CSR Policy are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs. The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company.

2. Effective Date

This policy shall be effective from the beginning of financial year **2022-2023**.

3. Definitions

- (i) “Act” means the Companies Act, 2013.
- (ii) “Board of Directors” or “Board” means the collective body of the directors of the company.
- (iii) “Company” means “Apicore Pharmaceuticals Private Limited”.
- (iv) “CSR Committee” means Corporate Social Responsibility Committee constituted by the Board of Directors of the company.
- (v) “CSR Policy” means CSR Policy of “Apicore Pharmaceuticals Private Limited”.
- (vi) “CSR Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (vii) “Implementing Agency” means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the company to implement various projects in pursuance of CSR Policy.

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the company.

4. Constitution, Composition and Scope of CSR Committee:

CSR Committee was constituted by the Board of Directors on **4th day of April, 2022** which consists of following Directors:

1. Dr. Jayaraman Kannappan – Chairman
2. Dr. Ravishanker Kovi - Member
3. Dr. Murali Krishna Madala - Member
4. Mr. Parthiv Mahendrabhai Patel - Member



The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The quorum of the meeting shall be 1/3rd of the directors in the Committee or 2 directors whichever is more but in no case, it shall be less than 2 directors.

Invitees to the CSR Committee:

The CSR Committee may, at its discretion, invite employees of the Company from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in the implementation of the CSR Policy. Invitees to the CSR Committee meetings shall be entitled to participate in the deliberations of the CSR Committee but will not be entitled to vote at the meetings of the CSR Committee.

Following functions were assigned to CSR committee:

- a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
 - (i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
 - (ii) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
 - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programs;
 - (iv) monitoring and reporting mechanism for the projects or programs; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the company;
- d) Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- e) To monitor the CSR Policy as approved by the Board from time to time.

The CSR Committee should recommend the approach and direction of CSR activities to be undertaken by the company and also provide Guiding principles for

- (i) Selection of CSR projects / programmes / activities
- (ii) Implementation of CSR projects / programmes / activities Guidance Note on Corporate Social Responsibility
- (iii) Monitoring of CSR projects / programmes / activities
- (iv) Formulation of the annual action plan



Meeting of the CSR Committees

The CSR Committee shall meet as frequently as it determines necessary but at least twice annually.

The CSR Committee shall maintain minutes of each of its meetings. The CSR Committee shall review proposed projects and make recommendations to the Board for approval of such projects and allocation of Funding in accordance with the CSR Committee charter.

The final decision with regards to the acceptance or rejection of a CSR Proposal shall be with the Board.

5. CSR Activities

Company shall undertake CSR activities for development of the society and the environment, particularly in the vicinity of the areas where the facilities of the company are located.

A. The company shall undertake such activities which are broadly related to any of the following:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation
- (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.
- (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, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports
- (viii) Rural development projects
- (ix) Development of area declared as "slum area" by the Government or Competent Authority.
- (x) Disaster management, including relief, rehabilitation and reconstruction activities.



B. The company may also contribute to the following funds as part of CSR activities:

- (i) Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (iii) Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (iv) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- (v) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the company. The CSR Committee should consider details of CSR projects as elaborated in the annual action plan for each financial year.

Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board and CSR Committee.

6. Focus Areas

While the company may undertake CSR activities in any areas listed above, the focus areas of CSR activities should be on the following aspects:

- (i) Health Camps
- (ii) Environment protection
- (iii) Rain Water Harvesting
- (iv) Rural Transformation
- (v) Safe Drinking Water
- (vi) Education to underprivileged



7. Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following:

- (a) the list of CSR projects or programmes that are approved and to be undertaken by the company
- (b) the manner of execution of such projects or programmes
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

8. CSR Spending

The company shall endeavor to achieve the objectives of CSR Policy and allocate every year:

- a. Minimum 2% of its average net profits made during the three immediately preceding financial years
- b. Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities.

All the expenditure relating to CSR shall be pre-approved by the CSR Committee. The CFO shall monitor the utilization of funds for the purposes set forth and certify to this effect.

Unspent CSR amount, if any, shall be transferred to separate account in accordance with the applicable CSR Rules from time to time.

9. Mode of implementation

CSR programs, projects or activities of the company should be implemented through following methods:

- i. Directly by the company;
- ii. Implementing Agencies;
- iii. Any foundation or body incorporated by the company and eligible to undertake such CSR projects.
- iv. in collaboration with other organizations/group companies While the company can engage suitable Implementing Agencies to undertake approved CSR projects. The company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality to directly undertake approved CSR projects with the help and support of these bodies.



10. Need and Impact Assessment

CSR activities undertaken should be in the interest of the society and the local population where the company operates. Before undertaking any project or activities, if required, the company shall conduct need assessment for the project and its utility in the demography where project is proposed as and when it is applicable.

After one year of completion of CSR project, the company should consider to conduct an impact assessment of the project so completed and place a report for consideration of the Board, if required and is applicable as per the provisions of Companies Act, 2013.

A summary of impact assessment outcome, if done shall be disclosed in the Board's Report.

11. Capital Assets

Capital asset acquired or created by CSR projects should be held by the beneficiaries of the said CSR project or a trust or a public authority for the benefits of all. The company should take appropriate measure to ensure that such assets are utilized for the purpose it was meant for and should not be transferred or disposed off without prior permission of the company.

12. Information dissemination

CSR Policy and activities undertaken shall be disseminated on website for public access and shall be published in the Annual Report of the company in the format prescribed under the Act and CSR Rules.

13. Review

The CSR Committee shall be fully responsible for the monitoring and review of the implementation of this policy in accordance with applicable laws from time to time. The CSR Committee shall provide recommendations as and when it deems necessary to the Board so as to amend/ modify/ revise the CSR Policy.

