

SUPRIYA LIFESCIENCE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Policy that defines Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (“CSR”) is defined as the integration of business operations and values, whereby the interests of all stakeholders including investors, customers, employees, the community and the environment are reflected in the company's policies and actions.

Any Organization operates in Social Environment and the Corporate Social Responsibility (“CSR”) is the ways and means through which the Corporate can repay the Obligations which the Society has made by contributing the resources in its various forms as required for the efficient operation of the Business. Corporate Social Responsibility is strongly connected with the principles of Sustainability and Social Welfare. An organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Supriya Lifescience Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

This Statement is demonstrates our commitment of Supriya Lifescience Limited to Corporate Social Responsibility through which we aim to align our business values, purpose and strategy with the needs of the society as a whole in which the Company operates, whilst embedding such responsible and ethical principles into everything the Company do.

Guiding Principles:

“Supriya Lifescience Limited” is vigilant in its enforcement towards corporate principles which the Government of India has mandated through Companies (Corporate Social Responsibility) Policy, 2014 as amended and is committed towards sustainable development. The company endeavors to make CSR a key business process for sustainable development. It constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

Definitions

- **Board** means Board of Directors of the Company.
- **Corporate Social Responsibility (CSR)** means and includes but is not limited to:-
 - 1) Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 or any amendment, modification, clarification thereof made by the MCA from time to time; or

2) Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee and approved by the Board as per this policy.

• **CSR Committee** means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013 and rules made there under.

• **Company** means Supriya Lifescience Limited.

• **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the section 198 of the Companies Act, 2013 & other applicable provisions, but shall not include the followings, namely:-

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

2) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013.

Words and expressions used in this policy and not defined herein but defined under the Companies Act, 2013 shall have the same meanings respectively assigned to them.

Commitment

We are committed to:

- Continuous improvement in our Corporate and Social Responsibility (CSR) strategy.
- Encouraging our business partners to strive for matching performance.
- Acting in a socially responsible way.
- Supporting a number of local communities and social / charitable causes.
- Continually improving our performance and meeting all relevant legislation.
- Encouraging our staff to be mindful of the effect of their actions on any natural resource.

Purpose and Aims

- The purpose of the policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR policy applies throughout all the activities undertaken in the organization and governs our approach to all our activities.
- In implementing this policy we aim to:
 - ❖ Be responsible.
 - ❖ Be an exemplar of good practice.

Eligible Areas of CSR under the Companies Act, 2013

- Eradicating hunger, poverty and malnutrition, promoting health care including 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;
- Promoting education, including special education and livelihood enhancement projects and employment enhancing vocation skills especially among children, women and elderly.
- 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.
- 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 arts and handicrafts.
- Ensuring environmental sustainability ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by Central Government for rejuvenation of River Ganga.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
- 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.
- Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of

Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- Rural development projects and Slum area Development.
- Disaster management, including relief, rehabilitation and reconstruction activities.
- Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.

In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws and shall not include the following:

- (i) activities undertaken in pursuance of normal course of business of the company any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (ii) contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- (iii) activities benefitting employees of the company as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019);
- (iv) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services; and
- (v) activities carried out for fulfilment of any other statutory obligations under any law in force in India.

Also, the CSR activities undertaken in India only will be taken into consideration, in order to satisfy the requirement of section 135 of the Companies Act 2013.

Implementation process:

Constitution and composition of the CSR Committee:

The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising of 3 (three) or more members of Board.

The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities and the amount of expenditure to be incurred by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules. The composition of CSR Committee shall be disclosed in the Board's report.

Scope of the CSR Committee:

The CSR Committee has been set up to:

- Formulate and recommend to the Board CSR Policy which shall indicate the activities to be undertaken by the Company as detailed in the Section 135 read Schedule VII to the Act and rules made there under from time to time.
- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy.
- Monitor the CSR Policy from time to time.
- Formulate annual action plan in pursuance of the CSR policy in accordance with the applicable law, and inclusive of the following items:
 - (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - (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.

Corpus of Funds:

- The Company will constitute Corpus of Funds or earmark amount to be spent on CSR activities which will be utilized for the Eligible CSR Activities under the Supervision and Guidance of CSR Committee of the Board of Directors of the Company;
- The Company will contribute and spend at least 2% of the Average Net profits of the Company made during the three immediately preceding Financial Years or such higher amount as may be recommended by the CSR Committee from time to time in such projects / activities as may be determined by the CSR Committee in pursuance of this Policy Statement and annual action plan of the Company.
- The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.

- In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.
- Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profits of the Company and shall be utilized towards the eligible CSR Activities / addressed in accordance with Applicable Laws.
- If the company spends an amount in excess of the requirements, company may set off such excess amount against the requirement to spend for such number of succeeding financial years and in such manner, as may be prescribed under the act.
- If in case the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of the companies act 2013, specify the reasons for not spending the prescribed amount.

Modalities of execution of CSR Projects and Utilization of Funds:

The modalities of the execution of the CSR projects or programs and their implementation along with the monitoring process of such projects or programs will be as decided by the CSR Committee or the Board. Broadly the CSR Activities can be undertaken by the Company directly or through any of the following mode by:

- a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company,
- Company established under section 8 of Indian Companies Act 2013, or Trust, or Society, being established by (Indian) Central Government or (Indian) State Government;
- any entity established under an Act of Parliament or a State legislature
- a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The above entities shall register with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 1st April 2021.

Compliance, Monitoring and Reporting:

- Each Director or CSR Committee member is responsible for ensuring that the principles set out in this policy are communicated to understood and observed by all employees and for ensuring compliance in their area of responsibility.
- When the CSR projects are undertaken by contributing the CSR Funds in the Registered Society or through Registered Trust or by undertaking a joined projects with any other Organization carrying on the same / similar CSR Activities, then the periodical follow up measures and /or periodical visit to such sites supported by the progress report as received from the said Society / Trust be placed before the CSR Committee;
- The report of the Board of Directors of the Company shall include CSR activities in the prescribed format and the Company shall also display the CSR policy on its official website, if any.

Amendment:

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

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