

28. CORPORATE SOCIAL RESPONSIBILITY

S.No:	Table of Contents
1	Statement of Policy
2	Policy Guidelines
3	CSR projects and programs
4	CSR Expenditure
5	Roles and responsibilities of CSR committee
6	Implementation of CSR activities
7	Monitoring of CSR activities
8	Disclosures

1. Statement of Policy

At Aurigene, all our activities are guided by our core purpose and belief which are to discover and develop innovative medicines to address the unmet medical needs of patients. Aurigene's Corporate Social Responsibility (CSR) policy is built on our commitment to help better the quality of life of the local communities where we operate and society at large yielding long-term, sustainable benefits for all our stakeholders.

2. Guiding Principles

At Aurigene we believe in contributing to a sustainable community development and facilitating our efforts towards creating shared value. The Company shall follow the below guidelines for selection, implementation, and monitoring of CSR activities as well as formulation of annual action plan:

- Identify the needs and priorities of the community and implement relevant social programmes through a structured Social Engagement Plan.
- Pursue social initiatives that:
 - Empower the community by creating urban and rural livelihoods and in particular enhancing skills and employability.

- Improve access to high quality education in schools.
- Support specific initiatives based on need, relevance and capability in healthcare and hygiene.
- Promote the scientific temper to encourage socially relevant innovation in society.
- Promote environment and its protection.
- Distinguish our programmes by a focus on volunteering, thus mobilising employee potential, passion and talent.
- Partner with likeminded complementary organizations to provide socially relevant solution based on innovation and ingenuity.

3. CSR projects and programs

The Company may undertake the following projects or programs towards CSR:

- i. Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- 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. 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.
- iv. Contribution to the 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities, and women.
- v. (a) 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; and
(b) Contributions to public funded Universities in the field of technology, national laboratories and autonomous bodies engaged in conducting research in the field of atomic energy, science and technology, biotechnology, pharmaceuticals, electronics and information, defence, agricultural, scientific, and industrial research, engineering, and medicine and notified in Schedule VII of the Act and rules made thereunder.
- vi. Rural development projects.
- vii. Slum area development.
- viii. Disaster management, including relief, rehabilitation, and reconstruction activities.
- ix. Any other activities or subjects specified in Schedule VII of the Companies Act, 2013 (the Act) and the rules made thereunder, as amended from time to time and circulars/notifications issued by statutory authorities.

Further, creation or acquisition of any capital asset by the Company against CSR amount, shall be in terms of the provisions of the Act and the rules made thereunder.

4. CSR Expenditure

- i. It will be the Company's endeavour to spend in every financial year, two percent of its average net profits (or such other limit as may be prescribed under the Act) during the three immediately preceding financial years or such other periodicity as may be notified, on CSR programmes in pursuance of this Policy, as per approved Annual CSR Action Plan.
- ii. If the CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years or such other periodicity as may be notified, with the approval of the Board, on the recommendation of the CSR Committee.
- iii. 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 specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year (or such other period as may be prescribed under the Act and the rules made thereunder).
- iv. 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 by the Company for that financial year in any scheduled bank to be called as '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 as specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year (or such other period as may be specified in the Act and rules made thereunder).
- v. The surplus arising out of the CSR activities, projects or programmes will not form part of the business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual CSR action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

5. Roles and responsibilities of CSR committee

- i. The roles and responsibilities shall *inter-alia* include the following:
 - Formulate, review and recommend to the board a CSR policy indicating the activities to be undertaken by the company as specified in schedule VII of the Companies Act, 2013;
 - Provide guidance on various CSR initiatives undertaken by the company and monitor implementation and adherence to the CSR programs and policy of the company from time to time;
 - Recommend to the board an Annual CSR Action Plan delineating the CSR projects or programmes to be undertaken during the financial year; and
 - Appoint an independent agency/firm to carry out impact assessment study, if any.
- ii. The committee shall operate under a written charter adopted by the board of directors, and has been vested with all the powers necessary to effectively discharge its responsibilities.

6. Implementation of CSR Activities

- i. The Company shall undertake and implement CSR activities either directly or through a registered public trust, registered society or a section 8 company under the Companies Act, 2013, (NGOs), institutions and /or such other agencies ('implementing agencies') as may be specified in Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- ii. The Company may also engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy or also collaborate with other companies for undertaking projects or programmes or CSR activities in accordance with the provisions of the Act and the rules made thereunder.
- iii. The implementing agencies, who intend to undertake any CSR activity, shall register themselves with the Central Government and obtain a unique CSR Registration Number, wherever applicable.
- iv. The CSR activities to be undertaken by the Company under the Policy shall be approved by way of Annual CSR Action Plan ('CSR Plan') by the Board on the recommendation of the CSR Committee.

- v. The CSR Plan shall include the following:
 - (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;
 - (e) details of need and impact assessment, if applicable; and
 - (f) any other matter as may be required under the Act and the rules made thereunder.

7. Monitoring of CSR Activities

- i. The CSR activities will be effectively and objectively monitored using appropriate monitoring tools that may include one or more of the third-party audit(s) or certification(s), impact assessment(s), self-assessment report(s), field visit(s), periodical review(s) or any other appropriate mechanism.
- ii. The CSR Committee shall review and monitor the CSR activities and CSR plan.
- iii. The Board shall review the status of implementation and fund utilization of the various projects and programmes as per approved CSR Plan at least once in a year.
- iv. Based on the recommendation of the CSR Committee, the Board may update, alter, modify or amend the CSR plan at any time during the financial year.

8. Disclosures

- i. Annual report on CSR Activities shall be included in the Board's Report forming part of Company's Annual Report.
- ii. The composition of the CSR Committee, and CSR Policy and Projects approved by the Board shall be displayed on the website of the Company.

Power to Amend

The company reserves the right to amend the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy shall be at the sole discretion of the Management.

Amendment History

Date	Author(s)	Nature of changes
11 th May'21	Human Resources	Policy amendment
7 th December 2022	Human Resources	Policy amendment