

**SEKHMET PHARMAVENTURES PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY POLICY**

---

**Title:**

This Policy shall be called 'Sekhmet Pharmaventures Private Limited' – "Corporate Social Responsibility Policy".

**Definitions:**

**Board** means the Board of Directors of the Company.

**Company** means 'Sekhmet Pharmaventures Private Limited'

**CSR Activities** means the activities which are undertaken or to which allocation is made by the Company under this CSR Policy, as amended from time to time.

**CSR Committee** means the Corporate Social Responsibility Committee of the Board of Directors of the Company as referred to in Section 135 of the Companies Act, 2013 including any amendment thereto.

**CSR Policy** means this Corporate Social Responsibility policy of 'Sekhmet Pharmaventures Private Limited' as amended from time to time.

**CSR provisions** means the regulatory provisions governing the CSR activities including the relevant section, rules and schedule under the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force) or any other act or law as is applicable and as amended from time to time.

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

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

- 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.

**Administrative overheads** mean the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation,

monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

**Ongoing Project** means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board of Directors based on reasonable justification.

### **The Philosophy**

The Company has identified key Areas for undertaking CSR Projects/ programs in India. The actual distribution of the expenditure among these areas will depend upon the needs as may be determined by the need identification studies or discussions with local government/ Grampanchayat / NGOs. The Company shall give preference to the areas around which the Company operates and the areas with identified needs for CSR spending.

Key areas:

- Education & Livelihood
- Health
- Environment
- Others- From time to time, the Company may identify newer key Areas to the above list, in so far as such activities are as defined in Schedule VII of the Companies Act, 2013, as amended, from time to time.

It has always been the endeavor of the Company to be at the forefront with regard to Social and Environmental responsibility. As a responsible corporate citizen, we aim to contribute to social and environmental causes on a regular basis. For us Corporate Social Responsibility (CSR) is an added opportunity to bring value to our stakeholders' lives and in a small possible way bring about a difference that we all want to see and be. We have been contributing to society since various years.

### **Scope and Applicability**

The Policy shall be applicable to all CSR initiatives and activities undertaken by the Company for the benefit of the different segments of the society in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force) and the related rules and any amendment thereto..

### **Role of the Board of Directors**

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.

- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect
- Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy.
- Ensure that the Company, treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.

### **Constitution of the CSR committee**

Keeping in line with Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the applicable rules thereon and any statutory amendments thereto, the Corporate Social responsibility Committee of the Company would consist of the Board of Directors of the Company in light of the private character of our organization.

The CSR Committee shall carry out the following functions:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- 2) To recommend the amount of expenditure to be incurred on the CSR activities;
- 3) To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- 4) To formulate action plans to undertake CSR initiatives from time to time as prescribed under specified schedule VII of the Companies Act, 2013.
- 5) To decide on the manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken
- 6) To decide on the amount of expenditure to be incurred on the initiatives referred to above.
- 7) To take stock of the progress of the initiatives and to monitor the implementation of the scheduled initiative.
- 8) To submit an annual report of CSR activities to the Board.

### **Allocation of Funds**

For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

Provided further that the allocation of the funds for CSR activities shall not be at the cost of or in place / stead of the statutory / contractual obligations of the Company towards the government, banks and financial institutions.

Provided further that the surplus arising out of the CSR Projects or Programs or Activities shall not form part of the business profits of the Company.

Provided further that for building up CSR capabilities of its own or that of an implementing agencies, the Company shall not spend more than 5% of the amount allocated annually for CSR activities.

The Company shall spend up to 5% of the total CSR expenditure in one financial year or 50 lakh rupees, whichever is lesser, on undertaking impact assessment for the applicable projects, as required by the law.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent, then such an unspent amount will be allocated towards such ongoing project for spending in any of the three succeeding financial years and will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year. For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

### **CSR Initiatives and programs**

The CSR committee of the Company will keeping in view, the provisions of the Companies Act, 2013, The Companies (Corporate Social Responsibility Policy) Rules, 2014 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force) and the related rules and any amendment thereto and also pursuant to Schedule VII and

any amendment(s) thereto recommend and proceed to carry out any of the activities specified under the Schedule from time to time as the Committee deems fit:

### **Fields of Operation of CSR Activities**

The following activities do not qualify as CSR activities under Companies Act, 2013:

- i. Projects/activities not falling within Schedule VII (i.e. activities mentioned under CSR initiatives and programs);
- ii. Activities undertaken in pursuance of normal course of business;
- iii. Projects or programs or activities that benefit only the employees of the company and their families;
- iv. Direct or Indirect contribution to any political party.
- v. the Company shall not make any allocations to or undertake any CSR activities which are outside the scope of the CSR provisions, especially schedule VII of the Companies Act, 2013.

### **CSR in collaboration or through a medium**

The Board of a Company will undertake its CSR activities as approved by the CSR Committee, either directly by the Company or through implementing agencies (NGOs). The implementing agencies being considered for a partnership will need to comply with the following criteria:

- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government, or
- any entity established under an Act of Parliament or a State legislature, or
- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities,

Explanation.- the term “entity” shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.

All implementing partners sufficing any of the above-mentioned conditions, will need to register themselves with the Central Government by filing e-form CSR-1 electronically and obtain a unique CSR Registration Number from the MCA.

The Company may also collaborate with other companies to undertake CSR Projects or Programs, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programs.

The Board may also decide to contribute the entire or part of the amount to any fund as is within the scope of CSR Provisions.

### **Reporting and monitoring of CSR activities**

- In case of closed ended projects / activities, the CSR Committee will, in consultation with the trust / society / team carrying out the implementation of the CSR activity (the Implementing agency) decide about the time limit within which the CSR activity / project is to be completed.

- Depending upon the time period for completion of the activity / project, the CSR committee will decide upon the reporting frequency. For instance for shorter project / activity (say for one year or less) the reporting frequency may be quarterly or even monthly. For a project / activity of a medium duration (say for one to three years) the reporting frequency may be half yearly. The reporting frequency may be yearly for a project or activity of a longer duration (say three years or more). In case of a continuous CSR activity, the frequency of reporting shall be half yearly.

- In case of contribution to certain funds, it may not be possible to insist on segregated reporting. In such a case, the reason shall be recorded by the CSR Committee.

- The implementing agency shall report the progress in the format annexed to CSR Policy.

- Wherever feasible, the CSR Committee shall depute one of the senior employees of the Company to make site visits, check the records of the Implementing agency or undertake any other due diligence activity to ensure the veracity of the information reported by the Implementing agency and / or generally to verify the progress of the CSR activities.

### **Removal of Difficulties**

- Any term not defined in the CSR Policy shall have the meaning ascribed to it under any of the CSR Provisions.

- The Board shall have power to amend / modify any of the clauses of the CSR Policy and they may do so either at a Board Meeting or by way of a Circular Resolution.

- The interpretation of any of the terms / clauses etc. of the CSR Policy shall rest with the CSR Committee.

\*\*\*\*\*