



Ami Lifesciences
Driven by Chemistry. Powered by people.

AMI LIFESCIENCES PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY



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PREAMBLE

“Creating Healthier Future” has been at the forefront of ALPL’s business philosophy and remains the principal purpose of doing business. This philosophy is seamlessly integrated into ALPL’s people, products and processes. The initiatives taken by the Company as part of Corporate Social Responsibility (CSR) programmes effectively contribute to developing a sustainable and resilient community.

Being a good corporate citizen is an integral part of ALPL’s core value. Over the last three decades, the Company has carried out various CSR activities directly and through its trusts. Making quality API (Active Pharmaceutical Ingredients) & to undertake Research & Development related to API has always been ALPL’s focus.

The Company continues to support several community welfare, health and educational activities, essentially in communities surrounding the Company’s factories, directly by providing healthcare education, improvement of community infrastructure, sanitation of and supply of drinking water etc.

NEED FOR CORPORATE SOCIAL RESPONSIBILITY & CSR POLICY BACKGROUND:

The Rules in respect of “Corporate Social Responsibility” (CSR) are enumerated in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the CSR Rules) framed under Section 135 of the Companies Act, 2013 (the Act) and the said Rules are applicable from Financial Year 2014-15.

Section 135 (5) of the Companies Act, 2013 requires that the Board of Directors of every Company having Net Worth of Rupees 500 Crores or more, or Turnover of Rupees 1,000 Crores or more or a Net Profit of Rupees 5 Crores or more during the immediately preceding financial year shall ensure that the Company spends, in every financial year, at least 2 % of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

"Net profit" means the net profit of a 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 section 135 of the Act:

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and if the unspent amount does not relate to any ongoing project, then the unspent amount should be transferred to a fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year (FY). However, if the unspent amount relates to any ongoing project, it should be transferred to a special account to be opened by the company in that behalf for that FY in any scheduled bank to be called the ‘Unspent CSR Account’ within a period of 30 days of the expiry of the FY. Such amount should be spent within a period of 3 FYs from the date of transfer, failing which, the same should be

transferred to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the 3rd FY.

On-going Project means a multi-year project undertaken by a 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 based on reasonable justification

If the Company spends an amount in excess of the requirements provided under Section 135, the Company may set off such excess amount against the requirement to spend under Section 135(5) for such number of succeeding financial years and in such manner, as may be prescribed by the law as amended from time to time.

Explanation.— For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of Section 198 of the Act.

“Today, Corporate Social Responsibility (CSR) is widely accepted as an essential component of business ethics – and a key management strategy in most big companies. CSR has become linked with the pressing need to conserve the planet’s diminishing resources “because the future of mankind everywhere is threatened by the degradation of the environment in which we all live and work”, as one commentator put it.”

For us Focus has been a Socially Responsible Corporate going beyond the Legal & Statutory requirements to make responsible investments in the community. In order to reaching out the underserved communities is part of our DNA.

This entails transcending business interests and grappling with the ‘Quality of Life’ challenges that underserved communities face and working making a meaningful difference to them. While pursuing our business strategy of introducing products that give our consumers health & wellness,

A Company’s sense of responsibility towards the community and environment (both ecological and social) in which it operates. Companies express this citizenship through their waste and pollution reduction processes, by contributing to educational and healthcare education, improvement of community infrastructure, sanitation of and supply of drinking water etc.

1. TITLE AND APPLICABILITY

ALPL Private Limited has developed this policy comprising the Company’s philosophy for being a responsible corporate citizen and lays down the principles and mechanism for undertaking various programs in accordance with section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Policy shall guide the CSR program and activities undertaken by the Company in the communities in which it operates.

2. CSR VISION STATEMENT

The Company shall carry its normal business in a manner that is beneficial to society & environment also in addition to propagation of business. For Ami Lifesciences Private Limited, Corporate Social Responsibility (CSR) means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled. In the process, Ami Lifesciences Private Limited commits itself to creating a more

equitable and inclusive society by supporting processes that lead to sustainable transformation and social integration.

Through Sustainable measures, actively contribute to the social, Economic and Environmental Development of the Community in which we operate ensuring participation from the community and thereby create value for the nation.

3. OUR CSR MISSION

Demonstrate commitment to the common good through responsible business practices and good governance.

Actively support the state's development agenda to ensure sustainable change and attain development of the nearby society.

Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

Ensuring Socio-Economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society to build a better tomorrow for themselves.

To undertake Projects/Programmes which will enhance the quality of life and economic well-being of the communities in accordance with Schedule VII of the Companies Act, 2013 ("Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014("Rules").

4. VADILITY OF CSR POLICY

The Board shall review the CSR Policy from time to time and may amend as may be required.

5. CSR PROGRAM AREAS & OBJECTIVES

The CSR activities we pursue will be in line with our stated Vision and Mission, focused not just around our plants and offices, but also in other geographies based on the needs of the Communities.

The Four Focus Areas where Special Community Development Programmes would be run are:

1. Eradicating Hunger, Poverty and Malnutrition
 - Provision of Food, Nutrition Supplement, Clothes etc for the poor, Children and other deprived sections of the Society.
 - Supporting nutrition in anganwadi centres and building capacities of anganwadi workers to this effect.
 - Promoting Sanitation, making available safe drinking water.
2. Promoting Health Care including Preventive Health Care
 - Through awareness programmes, health check-ups, provision of medicines & Treatment facilities, providing prenatal & postnatal healthcare facilities, prevention of female foeticides through awareness creation, AIDS Awareness and Supporting AIDS Effected Patients, Program for preventing diseases and building immunity.
3. Ensuring Environmental Sustainability & Ecological balance through:-
 - Plantation drives in schools, villages, our manufacturing units & offices/business premises and other areas in general;
 - Reviving endangered plants, promoting agro-forestry;
 - Protection of Flora & Fauna;
 - Conversation of natural resources.
 - Maintaining Quality of Soil, Air & Water.
 - Adoption of wastelands to cultivate Plants.

- Promoting Biodiversity.
- Animal welfare and veterinary services.
- Technical support and Knowhow for improving farming and building Capacities of small farmers
- Promoting alternate energy resources

4. Employment and Livelihood enhancing vocational skills and projects.

5. Promotion of Education:

- Non- Formal education programs
- Supporting Schools with Infrastructure Like books, uniform, benches, School Van, toilets, potable water, Fans Etc.
- Supporting other educational institutions
- Improving educational facilities in general
- Supporting Children for Higher Education

6. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

7. Rural Development Projects.

8. Other Activities

- Promotion of Sports with special focus on training for rural sports, Nationally Recognised sports, Paralympics sports, Olympic sports.
- Welfare for differently disabled persons
- Setting up public libraries
- Reducing inequalities faced by the socially and economically backward groups
- Protection of national heritage, art, culture and handicraft; Restoration of Buildings & sites of historical importance & works of art.
- Welfare of armed forces personnel, war widows and their dependants

9. Incidental Activities

- Employing people and incurring other costs to carry out aforesaid activities.
- Such other activities as the Board may consider being appropriate.

6. CSR BUDGET

- The corpus for the purpose of carrying on the aforesaid activities would Include the followings:
- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years as mentioned in the Section 135 (5) and including any statutory modification(s) or re-enactment thereof for the time being in force.
- Any income arising there from.

7. IMPLEMENTATION PROCESS

- CSR program will be undertaken by the Company within the defined ambit of CSR policy
- The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.
- The Company will enter into partnership with the government, business partners and communities to create multiplier effect of its social projects.

- The Company will select its partners after appropriate due diligence.
- The Company may use services of Export Agencies, Consultancy Firms etc. Wherever required for carrying out surveys, guidance on project design and implementation, impact assessment surveys etc.

8. CSR GOVERNANCE STRUCTURE



9. ROLES AND RESPONSIBILITIES OF BOARD

The Board of Director of the Company will be responsible for:-

- Approval of the CSR Policy of the Company
- Ensuring That the Project included in the Policy are undertaken by the Company.
- Ensuring that the Company Spends in every Financial Year, at least 2% of the average net profits of the Company made during the three Immediately Preceding financial year in pursuance of the Policy as mentioned in the Section 135 (5) and including any statutory modification(s) or re-enactment thereof for the time being in force.
- Ensuring that the Company gives preferences to the Local areas around its Operations for spending the amount earmarked for CSR Projects.
- Ensuring that it specifies the reasons in its report for not spending the Earmarked amount in case the Company fails to spend such amount.

10. CSR COMMITTEE:-

Composition of CSR Committee: - The Composition of CSR Committee of the Board is as under:

| SR. NO. | NAME | ROLE IN THE COMMITTEE |
|----------------|------------------------|------------------------------|
| 1 | Ms. Shivani R. Trivedi | Chairman |
| 2 | Mr. Girish L. Chovatia | Member |
| 3 | Dr. Kalpesh R. Patel | Member |
| 4 | Mr. Nishant Sharma | Member |

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy and shall include the following activities to be carried out for implementing in the financial year:

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- b) the manner of execution of such projects or programmes as specified in the Act and rules made thereunder;

- 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:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The Board's Report shall disclose the composition of the Corporate Social Responsibility Committee.

11. RESPONSIBILITY OF THE CSR COMMITTEE: -

- To formulate and Recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act,
- To review and recommend the amount of expenditure to be incurred on the CSR related activities to be undertaken by the Company;
- To institute a transparent monitoring mechanism for the implementation of CSR projects, programs and activities undertaken the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval Of the Board of Directors or as may be directed by the Board of directors from time to time.
- Recommend the amount of expenditure to be incurred on CSR projects.
- Appoint two or more concerned and dedicated persons who can design, pursue and Monitor these activities effectively for the Company and these persons shall have due ground level and supervisory level experience in CSR Projects.

List of programme

➤ **Area currently undertaken by the company under CSR**

| | |
|-----------------------------------|---|
| Health | 1. Creating awareness on health |
| | 2. Improving sanitation |
| | 3. Providing easy access of medical support to vulnerable communities |
| Education | Setting-up / Developing infrastructure for schools |
| | Arranging training and awareness programmes for adolescents. |
| | Promoting e-learning |
| | Enhancing reading culture |
| | Awarding scholarships for meritorious/needy students |
| | Providing vocational skills |
| Environment | Promoting environmental sustainability |
| | Promoting conservation of natural resources |
| | Promoting of Renewable Energy Resources |
| Rural development projects | Enhancing livelihood |
| | Undertaking Sustainable Rural Development Projects |

➤ **CSR Activities to be undertaken in CSR:**

Company will implement its CSR activities in accordance with Section 135 of the Companies Act 2013 and rules notified thereunder. The Company may undertake and/or initiate CSR activities by setting up registered Trust/ Societies/ Company under section 8 of the Companies Act, 2013 or established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature.

Company may also conduct/implement its CSR programmes through registered public Trusts, registered Societies registered under section 12A and 80G of the Income Tax Act, 1961, or Section 8 Companies operating in India in respect of which Form CSR 1 is filed with ROC, which are not set up by the Company itself. Such spends may be included as part of its prescribed CSR spend only if such organizations are registered and have an established track record of at least three years in carrying on activities in related areas. Further, the Company may donate funds to registered trust/society/ Section 8 Company- Companies with Charitable Objects etc., where it is created exclusively for undertaking CSR activities or where the corpus is created exclusively for a purpose directly relatable to a subject covered in schedule VII of the Companies Act, 2013.

It may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.

12. DISCLOSURE:-

The Company shall comply with provisions of section 134 & 135 of the Act thereby ensuring that it makes disclosure of its CSR Policy, Projects/ Programmes, Activities, Implementing Agencies, Expenditure details as well as the composition of the CSR Committee of the Board, as required under the Act. The contents of the CSR Policy composition of the CSR Committee, and Projects approved by the Board shall be included in the Directors' Report and the same shall be displayed on the Company's website www.amiorganics.com .

13. REVIEW MECHANISM:-

The Policy shall be reviewed and revised as and when required by the CSR committee subject to the approval of board of directors but will, at all times be subject to the applicable laws.

14. INTERPRETATION:-

In case of any conflict between the provisions of this Policy and provisions of any applicable law, the provisions of the applicable law shall prevail over this Policy. Any subsequent amendments/modifications in the provisions of applicable law shall automatically apply to this Policy.
