

SENORES PHARMACEUTICALS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

INTRODUCTION:

The concept of “Corporate Social Responsibility”/ “CSR” has gained prominence from all avenues. Organization must realize that Government alone will not be able to get success in its Endeavor to uplift the downtrodden of the Society. Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences.

AIMS & OBJECTIVES

Senores Pharmaceuticals Limited (“Company”), understands its responsibility towards the society and the same is reflected by activities initiated and undertaken by it. The CSR programme of the Company will cover not only the person associated with it but it also extends to society at large and more particularly to the persons residing in local areas. The business vision and mission of the Company well reflects its belief for betterment of society through empowerment, creating value and welfare activities.

In view of amendment and modification under the applicable laws, this Corporate Social Responsibility Policy (“**CSR policy**”) of the Company is adopted at meeting of board of directors of the Company held on June 12, 2024 to align it with the applicable laws.

DEFINITIONS

- a. “**Act**” means Companies Act, 2013, as amended and modified from time to time.
- b. “**Administrative overheads**” means 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;
- c. “**Corporate Social Responsibility**” (**CSR**) means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act read with rules made thereunder and schedule VIII of the Act and includes but is not limited to:
- i. activities undertaken in pursuance of normal course of business of the company: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that:

- a. such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - b. details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- ii. 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;
- iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India.
- d. "CSR Committee"** means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013.
- e. "CSR Policy"** means a statement containing the approach and direction given by the board of a Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- f. "CSR Commitment"** shall mean at least two percent of the average net profits of The Company made during the three immediately preceding financial years as described in this CSR Policy for conducting its CSR activities in accordance with the Act and CSR Rules.
- g. "CSR Rules"** means the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time.
- h. "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 followings, 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 Companies Act, 2013.

i. “Ongoing 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 multiyear project but whose duration has been extended beyond one year by the board based on reasonable justification.

j. “Net-worth” means an aggregate value of the paid-up capital and all reserves created out of the net profits and securities premium account minus the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off.

Following shall be excluded from computations of net worth:

- i. Reserve created out of revaluation of assets;
- ii. Reserves out of write back of depreciation;
- iii. Reserve created out of amalgamation. (Section 2(57) of the Act)

k. “Turnover” means an aggregate value of realization of amount made from the sale, supply or distribution of goods or on account of service rendered or both, by the company during the financial year.

OBJECTIVE OF THE POLICY

- a. To assist socially and economically disadvantages segments of society to overcome hardship and impoverishment;
- b. To enhance increased commitment at all levels in the organization towards reinforcing its image as a social and environmental conscience company;
- c. Demonstrate commitment to the common good through responsible business practices and good governance.

CSR COMMITTEE

Compositions

As per Section 135 of Companies Act, 2013 and rules made thereunder (“**Companies Act**”) the Company is required to constitute a committee of board of directors to be

called “CSR Committee”, to consist of prescribed directors. Accordingly, the board of directors of the Company has constituted a committee in compliance with Section 135 of Companies Act. The CSR Committee shall act as per the applicable provisions of the law and within the terms of reference, if any, prescribed by Board of Directors of the company from time to time. The CSR Committee shall *inter-alia*-

- formulate and recommend to the board, the CSR policy (including any amendment) and an annual action plan pursuant to the CSR policy, which shall indicate the CSR Activities to be undertaken by the Company which shall include the following, namely: -
 - (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
 - (b) the manner of execution of such projects or programs as specified in Companies Act, 2013, and rules thereunder;
 - (c) the modalities of utilization of funds and implementation schedules for the projects or programs;
 - (d) monitoring and reporting mechanism for the projects or programs;
 - (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;

- recommend to the board the amount of expenditure to be incurred on the CSR Activities;
- monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- Any other activity that the provisions of the Companies Act or any other applicable law may recommend.

CSR ACTIVITIES:

CSR Activities shall be undertaken in locations within India and preferably within (but not limited to) the local areas around which the Company operates.

The CSR activities (“**CSR Activities**”) shall mean any of the activities included under Schedule VII of the Companies Act.

IMPLEMENTATION OF CSR

The board of directors shall undertake and implement all CSR Activities of the Company pursuant to the annual action plan approved by CSR Committee, the CSR policy and recommendations of the CSR Committee. The Company may undertake its CSR activities directly by itself or through a company established under Section 8 of the Companies Act, 2013 or a registered trust or a registered society registered under Sections 12A and 80G of the Income Tax Act, 1961 or in compliance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended.

CSR EXPENDITURE

The Company shall spend at least 2% of its average net profits made during 3 (three) immediately preceding financial years on its CSR Activities and shall ensure that any surplus arising from such activities shall also be spent on activities specified under this CSR policy. The CSR expenditure of the Company shall remain subject to the provisions of the Companies Act.

TREATMENT OF UNSPENT / EXCESS AMOUNTS IN RESPECT OF CSR ACTIVITIES AND SURPLUS ARISING OUT OF CSR ACTIVITIES

Any amount remaining unspent under its CSR Activities shall be transferred by the Company within a period of 30 days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the Company for CSR activities under this CSR Policy within a period of 3 financial years from the date of such transfer.

MONITORING

(a) The board of the Company shall ensure that the CSR Activities as included in this CSR policy are undertaken by the Company itself or through:

- i. 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 (43 of 1961), established by the company, either singly or along with any other company, or
- ii. 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
- iii. any entity established under an Act of Parliament or a State legislature; or
- iv. 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 CSR Committee shall monitor the CSR policy from time to time.

(b) Organizations receiving Funding will be required to provide evaluation information on a periodic basis with details on the status of the CSR Activities, including details concerning the project deliveries, costs incurred, and in a manner prescribed by The Company.

(c) A summary of these reports shall be tabled before the meetings of the CSR Committee.

(d) Detailed reports will be available for further perusal of the members of the CSR Committee as required.

(e) The Company reserves the right to suspend payments to an organization that delays and or fails to provide, to The Company's satisfaction, details concerning the use of the Funding.

(f) taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company and disclose contents of the CSR Policy in its report and also display it on the Company's website.

(g) ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company.

(h) The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect

DISPLAY OF CSR ACTIVITIES ON ITS WEBSITE

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

REPORTING MECHANISM

The Company shall publish its annual report on CSR Activities in its Directors Report in the manner prescribed under the Companies Act 2013 and the CSR Rules, particulars specified in Annexure I or Annexure II, as applicable.

GENERAL

Any or all provisions of the CSR Policy would be subject to revision/amendment by the CSR Committee in accordance with the applicable laws as amended from time to time.

In case of any conflict between provisions of this CSR Policy and the applicable laws, the provisions of the applicable laws shall supersede. Notwithstanding the absence of

any provisions of the applicable laws in this CSR Policy, the Company shall comply with such provisions as if they are part of the CSR Policy.

The CSR Committee or any person authorised by the board shall settle all queries, differences or doubts that may arise in relation to the implementation of the CSR Policy and CSR Activities as may be approved by the board.
