

CORPORATE SOCIAL RESPONSIBILITY POLICY



ARISTO

PHARMACEUTICALS PRIVATE LIMITED

CSR POLICY OF ARISTO PHARMACEUTICALS PRIVATE LIMITED

[CSR Policy under the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. CONTENT

- a) The Corporate Social Responsibility (“**CSR**”) policy of (“**Policy**”) Aristo Pharmaceuticals Private Limited (“**Aristo**”/“**Company**”) is designed to expand its ambit outside the business and to work and contribute also towards social goals and giving back to society. The initiatives undertaken by Aristo shall be in consonance with projects and programmes related to activities specified under Schedule VII of the Companies Act, 2013 (“**Act**”) and Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**Rules**”) which include but not limited to education, healthcare, energy and climate change, and betterment of society and acting with integrity and accountability and operating responsibility and sustainably.
- b) The Act, Schedule and Rules for CSR came into effect on the first day of April 2014, while stipulating a specific threshold for corporates.

2. OBJECTIVES OF THE POLICY

“In service of Healing Hands” is the forefront of Aristo business philosophy and remains the core purpose of doing business. Aristo’s CSR Policy intends to:

- a) augment the sustainable development goals of the country for future generations and development of healthy society;
- b) assist in the development of the country’s economy and health care sector by positively impacting the society;
- c) gear itself to effect wholesome change in the society in terms of sustainable development goals in relation to healthcare, education, gender quality, sanitation, renewable energy and sustainable projects;
- d) use the company’s skill and expertise to help the society by enabling it to achieve its full positive potential in helping healthcare professionals and making health care accessible and affordable to all under universal health coverage; and
- e) accept accountability and responsibility for its own actions and promote wholesome societal growth through its activities in the fields of health, education, rural development, etc.

3. GUIDING PRINCIPLES

The CSR Committee shall formulate strategy from time to time to facilitate CSR projects / programs. In formulating the CSR strategy, the CSR Committee shall focus on the following-

- a) To carry out and achieve sustainable development goals;
- b) Healthcare, sanitation, nutrition projects including but not limited to healthcare infrastructure development and primary healthcare services by leveraging the expertise in healthcare sector;
- c) Promoting inclusive growth and equitable development;
- d) To promote renewable energy to achieve the goal of sustainable development;
- e) To create and enhance awareness of environment conservation and to protect and restore the environment;
- f) To promote education, sports and engage in disaster relief and rural and slum area development.
- g) The Company shall not discriminate against the beneficiaries of the CSR activities, on any grounds whatsoever, including race, gender, age, ethnicity, caste, religion, domicile, but may focus its CSR Activities to benefit the economically or socially weaker, or marginalized sections, of the society.
- h) Committee shall ensure that all the CSR activities are implemented as per the approval.
- i) In selection of CSR projects / programs, the CSR Committee shall adhere to the permissibility under the Act and Rules, in particular, Schedule VII of the Companies Act, 2013.
- j) 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

4. FOCUS AREAS

The Company is committed to support the CSR Activities undertaken in the following areas:

- a) eradicating hunger, poverty and malnutrition, promoting health care including preventive health 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;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

- d) 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga
- e) 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;
- f) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPE) and Central Para Military Forces (CPMF) veterans, and their dependents including windows];
- g) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h) 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- j) Contributions to public funded Universities; engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
- k) rural development projects.
- l) slum development.
- m) disaster management, including relief, rehabilitation and reconstruction activities.
- n) any activities or subjects specified in the Act, Rules or Schedule VII of the Act or notified by the relevant authorities from time to time through circulars/notifications etc.

5. THE GOVERNANCE MODEL

a) Constitution of the Committee:

- (i) Pursuant to Section 135 of the Act, the Board of Directors ("**Board**") shall constitute a committee called the "**CSR Committee**". The members in the said Committee shall be appointed by the Board of Aristo, which shall comprise at least such number of directors as is mandatorily required by the Act and Rules.
- (ii) The CSR Committee shall hold at least 1 (one) CSR Committee meeting in a financial year. The quorum for the meeting shall be as required in terms of the Act and Rules.

b) Role and Responsibility of the Committee:

- (i) Formulate CSR procedure in line with the policy and recommend to the Board of the company for approval.
 - (ii) **Monitoring-** The CSR Committee will monitor the CSR activities from time to time using appropriate monitoring tools that may include, impact assessment(s), self assessment report(s), field visit(s), periodical review(s) or any other appropriate mechanism.
 - (iii) **Reporting-** The CSR Committee will submit reports to the Board in respect of the CSR activities undertaken by Aristo. Committee shall also make such disclosures, display and reporting requirement related to CSR in accordance with the provisions of the Act and Rules made thereunder.
 - (iv) **Policy Review-** The Committee shall periodically review its CSR Policy from time to time and make suitable changes as when required.
 - (v) **Due Diligence-** The CSR Committee will conduct adequate and effective due diligence in order to implement the approved CSR activities.
 - (vi) **Annual Action Plan-** The CSR Committee shall formulate and recommend to the Board, an annual action plan in terms of CSR Rules covering the matters as specified in the Rules. However, the Board shall have an authority to 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.
 - (vii) The CSR Committee of the Board will formulate, govern and review the CSR activities of the company from time to time.
 - (viii) The CSR Committee will also frame a CSR budget in accordance with the CSR activities planned to be carried out in the year.
 - (ix) The CSR Committee will also select locations to conduct CSR activities.
 - (x) The CSR Committee may also seek professional advice from external third parties to effectively implement and carry CSR activities/projects.
 - (xi) Approve to undertake CSR activities in collaboration with Aristo group of companies /other companies/Firm/NGO's/Trust etc and to report the same accordance with the CSR rules
- c) Implementation of CSR activities:**
- (i) Aristo may undertake CSR activities itself or through a Section 8 company or registered public trust or a registered society, established by Aristo singly or along with any other

company. Provided that Aristo can carry out the CSR activities through such other institutes having an established track record of 3 (three) years in undertaking similar CSR activities.

- (ii) Aristo may undertake CSR activities through the entities referred in Rule 4 of the Rules. The Committee should ensure compliance of Rule 4 of the Rules such as including filing of form CSR-1 when the CSR activities are carried out by the Aristo through implementing agencies.
- (iii) The CSR activities shall not include any activity undertaken by Aristo in pursuance of its normal course of business.

d) Disqualifying Activities for CSR

The CSR Rules prohibit the CSR projects and programs that are implemented by the Company for benefit of the employees of the Company and their families. The CSR activities implemented outside India also fall outside the purview of the Rules and hence CSR expenditure on such activities will not be considered for inclusion in the CSR Report. Any amount directly or indirectly contributed towards any political party under Section 182 of the Act shall not be considered as CSR Spend. Activities that are undertaken by the Company in pursuance of its normal course of business will not be considered as CSR activities.

6. DISPLAY

- a) The CSR Policy shall also be displayed on Aristo's website, if any.

7. BUDGETS AND EXPENDITURE

- a) CSR Committee may create a CSR corpus fund and allocate a budget towards each of the CSR activities/ projects falling within the purview of the objectives of this Policy.
- b) CSR Committee shall, with the approval of its Board, make a budgetary allocation for CSR activities/ projects for the year. The CSR budgetary allocation will be based on Aristo's profitability and the requirements of applicable laws.

8. AMENDMENTS

- a) The CSR Committee shall review the CSR Policy from time to time based on the changing needs and make suitable modifications as may be necessary with the approval of the Board.
- b) In case of any doubt with regard to any provision of this CSR Policy and also in respect of matters not covered herein, a reference should be made to the CSR Committee.

- c) In all such matters, the interpretation and decision of the CSR Committee shall be final.
- d) Aristo reserves the right to modify, cancel, add, or amend this CSR Policy.

9. EFFECTIVE DATE

- a) This Policy will be effective from date of approval of this Policy by the Board.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly as laid down under such amendment(s), clarification(s), circular(s) etc.

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