



Corporate Social Responsibility Policy (CSR Policy)

Sai Life Sciences Limited

Sai Life Sciences Limited's CSR Policy

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Annexure 1: CSR Projects / Activities

Sai Life Sciences Limited's Corporate Social Responsibility (CSR) Policy

1. Objective

The objectives of this policy are to:

- To enable a comprehensive and systematic framework for the CSR activities which Sai is currently engaged with at different locations.
- Demonstrate commitment to the common through responsible business practices and good governance.
- Actively support the state development agenda to ensure sustainable change and attain development of the nearby society.
- Engender a sense of empathy and equity among employees of Sai to motivate them to give back to the society.

2. Need for a CSR Policy

Section 135 & Schedule-VII of the Companies Act, 2013 ("Act"), which is related to CSR activities has been published in the Gazette of India (Ref. No. 27 dated. 30.08.2013). It has been notified on 27.02.2014 by Ministry of Corporate Affairs, to be made effective from 01.04.2014. In view of the above, this policy on CSR is prepared. Ministry of Corporate Affairs (MCA) vide Notification Nos. S.O. 324(E) and S.O. 325(E) both dated 22nd January, 2021, has notified the amendments made to Section 135 by the Companies (Amendment) Act, 2019 and the Companies (Amendment) Act, 2020, respectively. MCA has further notified amendment to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 to further amend the Companies (Corporate Social Responsibility Policy) Rules, 2014.

3. CSR Vision

The Company shall carry its normal business in a manner that is beneficial to society and environment.

For Sai Life Sciences Limited (Sai), 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. In the process, Sai commits itself to creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and social integration

4. Commitment & Involvement of Management & Employees

The philosophy & spirit of CSR is to be spread across the organization through sensitization & awareness programme for cross-section of employees. The programme would be coordinated by the Human Resources, Administration and Safety, Health and Environment Team and such other members as may be required.

5. Areas of Operation

Sai is engaged in the business of contract manufacturing of different types of intermediates and active pharmaceuticals ingredients and providing research and development services and custom synthesis to the global pharmaceutical and biotechnology industry. Sai has its R&D and Manufacturing facilities in the States of Telangana, Karnataka and Maharashtra.

6. Board Responsibility

The Board will:

- Approve the CSR policy as formulated by the CSR Committee.
- Finalise CSR activities formulated by the CSR Committee and help the Committee obtain funds for spending on approved activities as per the requirement under the Law.
- Ensure that the funds disbursed for spending have been utilised for the purposes and in the manner as approved and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- Ensure that the CSR activities are monitored for effective implementation.
- Disclose in its Annual Report the names of CSR Committee members, the content of the CSR policy and other matters as specified in the CSR rules from time to time. Also ensure that the composition of the CSR Committee, CSR Policy and Projects approved by the Board are disclosed on the Company website.
- Ensure annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.
- Explain reasons for any under spending of the CSR funds in the Board's Report to the shareholders. and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year
- Any amount remaining unspent pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty 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 in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- In case of ongoing project, the Board of a Company will monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- "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 multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification

CSR Implementation.

The Board will ensure that the CSR activities undertaken through implementing agencies will have an established track record of at least three years in undertaking similar activities and have registered itself with the Central Government and obtained a unique CSR Registration Number.

CSR Expenditure

- Administrative overheads not to exceed five percent of total CSR expenditure of the company for the financial year or such amount as may be prescribed from time to time
- Any surplus arising out of the CSR activities will not form part of the business profit of a company. It shall be either
 - (i) ploughed back into the same project or
 - (ii) transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or
 - (iii) transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- In any Financial Year the Company spends an amount in excess of its requirement as provided under the Section, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any and.
 - (ii) the Board of the company shall pass a resolution to that effect.

7. CSR Committee

The CSR committee of Sai will consist of three or more directors, with a minimum of one independent director. The CSR committee will be responsible for formulating the policy, identifying activities to be undertaken and monitoring the implementation of the policy.

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, 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 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; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company:

8. Approval of CSR Projects/Activities

All the CSR projects/activities shall be approved by CSR Committee of the Board and ratified by Board of Directors.

9. Contingency

Certain projects/activities which are not approved by CSR Committee but are required to be implemented on an urgent basis in unforeseen circumstances relating to Natural calamity, can be taken up for implementation after approval from a Director. The CSR Committee and Board of Directors would be appraised about such projects/activities during their next meeting.

10. General

- a) The Company reserves the right to modify, cancel, add, or amend any of the above rules/guidelines, with the approval of CSR Committee & ratification of Board of Directors.
- b) In case of doubt with regard to any of the provision of the policy and also in respect of matters not covered herein, the interpretation & decision of the CSR Committee shall be final.

Annexure 1

CSR Projects/Activities

Enumerated below are the areas under which the Company will implement its CSR Activities/ Projects. This will be reviewed from time to time by the CSR Committee of the Board and specific initiatives under these will be undertaken in line with the CSR policy to meet the overall objectives of these interventions.

- a) To employ sustainable methods and assist social welfare groups so as to contribute to the eradication of extreme hunger and poverty.
- b) Empowerment of Communities, inclusive of Socio-Economic growth
 - i. Women empowerment/ Livelihood generation center (stitching and embroidery training centers for women)
 - ii. Skill development/vocational training (for men and women)
- c) Environment Protection
 - i. Afforestation/Social Forestry
 - ii. Rain water harvesting system
 - iii. Vermicomposting
 - iv. Awareness programs on environmental protection to school children and community
- d) Upliftment of the Marginalized and Underprivileged Sections of the Society
 - i. Education (Free literacy programme at various centers in slum/backward areas)
 - ii. Aiding Institutions of Differently Abled/Disabled/ Handicapped persons
- e) Community Healthcare
 - i. General / specialized Health camps
 - ii. Specialized Medical treatment for reducing child mortality and improving maternal health.
 - iii. Health Awareness camps (HIV/AIDS, General Health etc.)
 - iv. Blood donation camps
 - v. Support programs in Primary Health Center
 - vi. Drinking water and sanitation - as a part of awareness
- f) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

Annexure-2**Corporate Social Responsibility Committee**

S.NO.	NAME OF THE DIRECTOR	CHAIRMAN/MEMBER
1	RAJAGOPAL SRIRAMA TATTA	CHAIRMAN
2	KRISHNAM RAJU KANUMURI	MEMBER
3	PUNEET BHATIA	MEMBER
4	NANDITA GURJAR	MEMBER