POLICY ON CORPORATE SOCIAL RESPONSIBILITY

HAB PHARMACEUTICALS AND RESEARCH LTD.
CORP. OFFICE: A-301 PENINSULA BUSINESS PARK, GANPATRAO KADAM MARG, LOWER PAREL WEST, MUMBAI, MAHARASHTRA 400013
PHONE : 91-22-66261400
E-MAIL : info@habpharma.in
WEB : www.habpharma.com

1. PREAMBLE

Corporate Social Responsibility ("CSR") is integral to HAB Pharmaceuticals & Research Limited ("the Company"). The Company recognises that long-term business success is closely linked with the well-being of the communities it serves, the environment it operates in, and the society at large. This Policy sets out the guiding principles, framework, and governance mechanism for undertaking CSR activities in line with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, including any amendments.

This Policy has been approved by the Board of Directors and supersedes all previous versions.

2. CSR VISION & PHILOSOPHY

HAB Pharmaceuticals is committed to creating enduring social value through its initiatives. The Company's CSR approach is guided by the principles of equity, sustainability, and shared prosperity.

Vision Statement:
"To contribute to a healthier, inclusive, and sustainable society by supporting initiatives that enhance quality of life, foster knowledge and skills, and safeguard the environment for future generations."

Objectives:

- To actively support projects that promote education, healthcare, skill development, environment protection, and social empowerment.
- To ensure CSR initiatives are aligned with national priorities and Sustainable Development Goals (SDGs).
- To create meaningful and measurable impact in the communities where the Company operates.

3. SCOPE & FOCUS AREAS

CSR initiatives will be undertaken in line with Schedule VII of the Companies Act, 2013. Broad areas of focus include, but are not limited to:

3.1 Healthcare & Well-being

- Promoting preventive and curative healthcare.
- Setting up or supporting medical camps, telemedicine, mobile health facilities, and access to affordable medicines.
- Promoting mental health awareness and traditional Indian systems of medicine including Ayurveda, Yoga, and Homeopathy.

3.2 Education & Skill Development

- Supporting primary, secondary and higher education, with a focus on underprivileged and differently-abled children.
- Vocational training, digital literacy, and livelihood enhancement programmes.
- Scholarships, fellowships, and educational infrastructure support.

3.3 Environment & Sustainability

- Conservation of natural resources, biodiversity, and ecological balance.
- Promoting renewable energy, afforestation, water conservation, and sustainable waste management.

3.4 Women Empowerment & Social Inclusion

- Initiatives for women's education, health, and self-employment.
- Reducing inequalities faced by socially and economically disadvantaged groups.
- Support for senior citizens and differently-abled persons.

3.5 National Heritage, Art & Culture

- Preservation and promotion of India's cultural heritage, traditional crafts, and art forms.

3.6 Disaster Response & Relief

- Supporting relief and rehabilitation efforts in disaster-affected areas.

3.7 Other Initiatives

- Any other activities permitted under Schedule VII of the Act, including contributions to eligible funds set up by the Government.

4. CSR IMPLEMENTATION FRAMEWORK

4.1 CSR activities shall be undertaken directly by the Company or through:

- Registered trusts, societies, or Section 8 companies with at least three years' track record in similar activities; or
- Collaboration with other companies, in accordance with applicable law.

4.2 Annual Action Plan will be formulated by the CSR Committee and approved by the Board, outlining:

- Identified projects and programmes.
- Mode of implementation.
- Expected outcomes and timelines.
- Budget allocation and monitoring mechanism.

5. GOVERNANCE & MONITORING

5.1 CSR Committee of the Board

The Company has constituted a CSR Committee as per the provisions of the Act. The Committee shall:

- Formulate and recommend the CSR Policy and Annual Action Plan to the Board.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Oversee implementation, monitoring and reporting of CSR projects.
- Ensure compliance with statutory obligations.

5.2 Monitoring & Evaluation

- CSR initiatives will be periodically reviewed by the CSR Committee and progress reported to the Board.
- Monitoring may include field visits, impact assessments, progress reports, and beneficiary feedback.
- Surplus arising from CSR activities will not form part of business profits and will be ploughed back into CSR projects.

6. CSR BUDGET

- The Company shall allocate, in each financial year, at least 2% of the average net profits of the three immediately preceding financial years towards CSR activities, in accordance with the Act.
- In case the prescribed amount is not spent, reasons shall be disclosed in the Board's Report.
- Administrative overheads shall be capped as per statutory limits.

7. REPORTING & DISCLOSURE

- Details of CSR activities and expenditure shall be included in the Company's Annual Report on CSR in the prescribed format.
- The CSR Policy and approved projects will be disclosed on the Company's website as required under law.

8. POLICY REVIEW & AMENDMENT

This Policy shall be reviewed periodically by the CSR Committee and Board to incorporate changes in law, emerging needs, and evolving best practices. The Board reserves the right to amend, modify or revise this Policy at any time.

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