



CORPORATE SOCIAL RESPONSIBILITY POLICY

PREAMBLE:

Corporate Social Responsibility (“CSR”) is a company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. Corporate Social Responsibility extends beyond philanthropic activities and reaches out to the integration of social and business goals.

Bafna Pharmaceuticals Limited (hereinafter referred to as “Bafna” or “The Company”) has, since its inception, regarded itself as a responsible corporate citizen committed to giving back to society. The Company has consistently undertaken initiatives that promote social welfare and charitable objectives.

Over the years, Bafna has contributed and donated towards various community focused activities, including the sponsorship of medical and blood donation camps, sports events, education and community health initiatives within the region.

PURPOSE & OBJECTIVE:

This Policy encompasses the Company’s philosophy for fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/projects and programmes for welfare, sustainability and development of community at large.

This Policy applies to all activities undertaken by Company towards fulfilling its corporate social responsibility objectives. The Policy would also ensure compliance with section 135 read with Schedule VII of the Companies Act, 2013 (“Companies Act”) and Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”), as amended from time to time and the notifications and circulars issued by the Ministry of Corporate Affairs from time to time and the rules framed thereunder (“CSR Regulations”). In the event of any inconsistency or discrepancy between this Policy and the CSR Regulations, the provisions of the CSR Regulations shall prevail.

GOVERNANCE STRUCTURE

The CSR Committee is the governing body that will define the scope of CSR activities for Company and ensure compliance with the Policy. The CSR Committee would comprise Three (3) or more directors including at least One (1) independent director.



The CSR Committee shall:

- i). Formulate the Policy and recommend to the Board and any amendments thereto;
- ii). Indicate the activities to be undertaken by Company as specified in the Companies Act, 2013;
- iii). Review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company, and the annual CSR plan to the Board;
- iv). Monitor the CSR activities and compliance with the Policy from time to time; and
- v). Review and implement, if required, any other matter related to CSR initiatives.

The Board of Directors of the Company shall:

- i). Approve the Policy based on the recommendation of the CSR Committee;
- ii). Approve the CSR activities and annual CSR plan based on the recommendation of the CSR Committee; and
- iii). Review the Policy and CSR activities.

CSR ACTIVITIES TO BE UNDERTAKEN:

The Company considers society as an important stake-holder and will strive to discharge its responsibilities to the society proactively. The activities or projects that will be undertaken by the Company shall include one or more of the following activities, as may be recommended by the CSR Committee and approved by the Board of Directors:

- i). Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare 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;
- ii). Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;



- iii). 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;
- iv). 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;
- v). 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;
- vi). Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii). Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- viii). 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 schedule caste, tribes, other backward classes, minorities and women;
- ix). Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- x). Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).



- xi). Rural development projects.
- xii). Slum area development.
- xiii). Disaster management, including relief, rehabilitation and reconstruction activities;
- xiv). Such other projects as may be notified by the Government from time to time.

The Company shall give preference to local areas and areas around it where it operates, to the extent possible. Where this is not possible, the Company may choose to spend the CSR amount anywhere within the State / States in India.

ACTIVITIES NOT TO BE TAKEN UP UNDER CSR PROGRAMME

The CSR activities will not include the activities undertaken:

- i). In pursuance of normal course of business of the Company,
- ii). Outside India except for training of Indian sports personnel representing any State or Union Territory at national level or India at international level;
- iii). Benefitting the employees of the Company and / or their respective families,
- iv). By contributions of any amount directly or indirectly to any political party,
- v). Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

CSR IMPLEMENTATION & SPENDING:

- 1) CSR programmes can be implemented by the Company on its own or by any third party Implementing Agencies to the best possible extent. The Implementing Agencies include a Section 8 company or a registered public trust or a registered society. These Implementing Agencies shall have CSR Registration number, registered under section 12A and 80 G of the Income Tax Act, 1961, necessary track record and reputation and other criteria as required under Section 135 of the Companies Act, 2013 and its Rules thereon.
- 2) The Company may also collaborate with other companies / institutions to undertake CSR projects or programme, provided the CSR Committees of the respective companies are able to report separately on such projects.



- 3) The overall amount to be spent during a year shall have reference to the amount determined on the basis prescribed under the Companies Act 2013 and the Rules made thereunder. The amounts will be spent on projects/activities as approved by the Board of Directors based on the recommendation of the CSR Committee. The actual amounts will be spent based on the progress of the projects.
- 4) The participation can be in one or more ways by way of contribution to the corpus, bearing of expenses provision of infrastructure equipment, deputing human resources of the Company, etc.
- 5) If the CSR amount as determined under (3) above cannot be expended during a financial year due to any cause, the CSR Committee shall provide the reasons for the same, to enable the Board to record such reasons.
- 6) Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII/ any other fund notified by the Government, within a period of 30 days from the date of completion of the third financial year.
- 7) If the CSR projects yield any surplus, the same will not form part of the Company's profits but will be ploughed back into CSR activities.

MONITORING

The CSR Committee shall cause supervision and monitoring of the progress of various projects and activities whether carried out directly by the Company or through implementing agencies including dedicated trusts or existing third-party trusts of experience and repute.

The Board of Directors of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it.

REPORTING AND DISCLOSURES:

- 1) The CSR Committee shall prepare a report on various CSR activities carried out and amounts spent for inclusion in Directors' Report of the Company in such form and manner as may be required under the Act.



- 2) The CSR Committee shall also cause publication of the CSR policy on the website of the Company.

VALIDITY AND AMENDMENTS:

This CSR policy shall be effective with the commencement of the Financial Year from April 01, 2014. The Policy may be reviewed and amended from time to time by the Board based on the recommendation of the CSR Committee.

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[This Policy was amended and approved by the Board of Directors at the Board Meeting held on November 11, 2025]