

**CORPORATE SOCIAL RESPONSIBILITY POLICY
(CSR POLICY)**

For

**BIOTECHNOLOGY INDUSTRY RESEARCH
ASSISTANCE COUNCIL (BIRAC)**



Biotechnology Industry Research Assistance Council

(A Government of India Enterprise)

CSR POLICY OF BIRAC

1. About BIRAC

Biotechnology Industry Research Assistance Council (BIRAC) is a not-for-profit Section 8, Schedule B, Public Sector Enterprise, set up by Department of Biotechnology (DBT), Government of India.

1.1 VISION

“Stimulate, foster and enhance the strategic research and innovation capabilities of the Indian biotech industry, particularly startups and SMEs, for creation of affordable products addressing the needs of the largest section of society.”

1.2 MISSION

Facilitate and mentor the generation and translation of innovative ideas into biotech products and services by the industry, promote academia – industry collaboration, forge international linkages, encourage techno entrepreneurship and enable creation and sustainability of viable bio enterprises.

1.3 FOCUS

Empowering and Enabling the Biotech Innovation Ecosystem for affordable product development

1.4 CORE VALUES

- **Integrity**
- **Transparency**
- **Team work**
- **Excellence**
- **Commitment**

BIRAC’s vision is to ‘Stimulate, foster and enhance the strategic research and innovation capabilities of the Indian biotech industry, particularly start-ups and SMEs, for creation of affordable products addressing the needs of the largest section of society’. BIRAC’s philosophy is rooted in its mission to ‘trigger, transform and tend biotech start-ups to convert innovative research in public & private sector into viable and competitive products and enterprises’.

Since its inception in 2012, BIRAC has worked as per its Mandate to lay the foundation of a strong Biotech Ecosystem in the country for development of ‘affordable products addressing the needs of the largest section of Society’. This foundation has been built on the premise that for India to grow and become a knowledge driven economy it is essential that biotechnology plays a significant role in this endeavour.

BIRAC aims to achieve the vision and mission, which have been enshrined in its charter, through various mechanisms that call for strategy involving multitudes of aligned partnerships such that bio-innovation takes root in start-ups, SMEs as well as in research institutes and academia.

1.5 The Main Objects of the BIRAC are as under:

1. To promote, nurture and support medium and high level of innovation in places of research and enterprise building.
2. To nurture innovation by mentoring and funding high risk, highly innovative projects by itself or with multiple partners throughout the innovation value chain, namely, early stage innovation research, product development, product validation and commercialization.
3. To encourage industry and academia to carry out novel research that may be of societal relevance.
4. To conceptualise and support development of affordable, innovative, deployable products and technologies in healthcare, agriculture (including secondary agriculture), environment, bio-energy, and other industrial products and processes involved in manufacturing.
5. To provide essential need based research and innovation services to the industry, particularly to small and medium scale enterprises.
6. To trigger, transform and tend, biotechnology start-ups in public and private sector to develop research into viable and competitive products.
7. To act as a catalyst to nurture innovation and to provide funding/investment by itself and/or partnership with others jointly or in parallel with private industry, equity providers for innovative product/process development through early and late stage funding under public private partnership.
8. To provide financial, infrastructural, institutional, mentoring and other policy support to all stake holders in biotech sector.
9. To provide project management and other innovation support services, particularly for product evaluation.
10. To build strategic alliances, encourage knowledge networking among biotech entrepreneurs at national and international level and to make India globally competitive in biotech innovation by providing affordable products and services.
11. No object of the Company will be carried out without obtaining Prior approval and NOC from the Concerned Authority whenever required if any or prescribed.
12. None of the objects of the company will be carried out on commercial basis.

**(As per Memorandum of Association)*

2. Background as per Companies Act 2013 & DPE Guidelines

- 2.1** The Ministry of Corporate Affairs vide notification dated 27th February, 2014 has notified the enforceability of CSR under Section 135 of Companies Act, 2013 (i.e. provision for **Corporate Social Responsibility**) and Companies (Corporate Social Responsibility Policy) Rules, 2014 with effect from 01.04.2014. In addition Department of Public Enterprises (DPE) has issued guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises (CPSEs) to be followed with effect from 01.04.2014.
- 2.2** This policy is made in accordance with the notification issued under section 135 of Companies Act, 2013 and in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (Rules) issued by Ministry of Corporate Affairs (MCA) and DPE guidelines amended from time to time.

2.3 Any point not covered by this Policy would be interpreted in accordance with the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and DPE Guidelines with the former taking precedence over the later in case of any conflict.

2.4 Corporate Social Responsibility (herein after called as “CSR”) is applicable to every company which meets least of the following threshold during the immediately preceding financial year (F.Y.):

- (a) Either Net worth of Rs. 500 Crore (Rupees Five Hundred Crore) or more; or
- (b) Either Turnover of Rs. 1,000 Crore (Rupees One Thousand Crore) or more; or
- (c) Net profit of Rs. 5 Crore (Rupees Five Crore) or more.

“Net profit” shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of Section 198 of the Companies Act 2013.

Year of Applicability of CSR on BIRAC: F.Y. 2019-20 (Trigger year) & F.Y 2020-21 (Year of Implementation)

Reason for Applicability of CSR on BIRAC: As per the Audited Financial Statements, BIRAC has achieved a surplus of Rs. 7.95 Crore during the financial year 2019-20. As the surplus/profit is more than Rs. 5 Crore, BIRAC needs to comply with the provisions of CSR. Section 135 (CSR) is applicable to all companies including Section 8 (not for profit) companies which cross the threshold limit of either of one:

As BIRAC has crossed the threshold of clause (c), BIRAC has to comply with the provisions of CSR from financial year 2020-21.

3. Vision and Mission Statement for CSR Policy

3.1 Vision Statement: BIRAC, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a Socially Responsible CPSE.

3.2 Mission Statement: In line with the Companies Act, 2013 and DPE guidelines this policy aims at developing Company specific social responsibility strategies in long, medium and short term period with built in mechanism for implementation and monitoring towards creating a Societal impact.

4. Short Title & Applicability

This policy may be called the “BIRAC Corporate Social Responsibility & Sustainability Policy”. It shall come into force with effect from date of approval of BIRAC Board in terms of respective Resolution passed.

5. CSR Governance Structure

5.1 The CSR policy as approved by the Board of Directors (“Board”) will be for the relevant years of Applicability.

5.2 Board shall discharge the function of CSR Committee as prescribed in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.*

** As per Companies (Amendment) Act, 2020 (applicable w.e.f. 22nd January, 2021): If the amount to be spent by a company does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee shall not be applicable and the functions of such Committee provided under Section 135 shall be discharged by the Board of Directors of company.*

5.3 The Board of Directors shall have the powers to review the CSR policy, approve the expenditure to be incurred, monitor CSR policy from time to time. It will oversee the implementation and monitoring of the CSR policies and all related activities in BIRAC.

5.4 The Managing Director may be authorised by the Board to further implement the in discussion with the concerned Program Division.

5.5 The Deployment report may be put up to the Board for their consideration.

6. CSR Activities

6.1 The activities to be covered and the Projects to be undertaken shall be the activities laid down in **Schedule VII** of the Companies Act, 2013 as amended from time to time. **Schedule VII** is enclosed at **Annexure-I**.

6.2 Board shall direct the formulation of an **Annual Action plan** in pursuance of this 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 required, for the Projects undertaken by the company.

7. Budget/Expenditure

7.1 The Budget for CSR activities will be as per the relevant sections of the Companies Act, 2013, as amended from time to time. Section 135 read with section 198 of the Companies Act, 2013 states that a Company shall spend at least two percent (2%) of ***the average net profits*** of the company made during the three immediately preceding financial years for its CSR activities of current year.

7.2 The Expenditure on CSR capacity building and monitoring/evaluation of CSR project/activities etc. may be met from CSR budget, as may be permitted within the CSR Government laws/rules/Guidelines issued from time to time.

8. Implementation of CSR

All CSR programs/activities will be executed by the BIRAC either:

- a) Directly by Board through its delegated powers with:
 - i. The respective Program Division to identify the Projects and put up the Proposal to the Competent Authority of BIRAC.
 - ii. Further Board Approval may be sought by Circulation or in a Board Meeting.
 - iii. The concerned Program Division will regularly monitor the progress, implementation of various projects with reference to the approved timelines and year-wise allocation and shall make modifications, if any, for smooth implementation of the project within the overall permissible time period and guide the initiative in any manner it may decide and submit a **Half Yearly** report to the Competent Authority for Board consideration. A format is prescribed in **Annexure -II**.

OR

- b) Through entities as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time:
 - i. 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
 - ii. any entity established under an Act of Parliament or a State legislature; or
 - iii. 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.

9. CSR Reporting in Annual Report

The Company shall report the details of the CSR initiatives in the Directors' Report and Companies website in the prescribed format as per the provisions of Section 135 of the Companies Act, 2013 and rule made thereunder.

10. General

In case of any doubt with regard to any provision of CSR policy and also in respect of matters not covered therein, the interpretation & decision of Board shall be final.

This policy shall be updated from time to time, by the BIRAC in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

Annexure-I

The activities that BIRAC may undertake as its CSR activity is laid down in Schedule VII of Companies Act, 2013 (as amended from time to time) which has been notified and is reproduced as under:

- (i) **Eradicating** hunger, poverty and malnutrition, promoting health care including preventive health care 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 art 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 recognised 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) 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; and

(b) 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 Defence 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).

(x) Rural development projects.

(xi) Slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) Disaster management, including relief, rehabilitation and reconstruction activities.

Annexure-II

Format for Progress Report on CSR Projects

NAME OF GRANTEE INSTITUTION

(Report for the period.....)

1. PROJECT INFORMATION:

Project Title :	
BIRAC Sanction No.& Date	
Expected Period of Completion (Start & End date)	
Amount of funding by BIRAC	
Report submission date	
Project Area	
Project Target –Group	
Grantee Agency (Name and Whether approved by BIRAC)	

2. PROJECT OVERVIEW

a) Briefly describe the CSR Project purpose:

b) List the objective(s) of the project:

Name & Signature of Authorized Signatory