

MOREPEN LABORATORIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. COMPANY'S PHILOSOPHY

Morepen Laboratories Limited (hereinafter referred to as "MLL" or the "Company") was incorporated on December 01, 1984. Over the years, MLL has been successful in taking the expertise and experience in Wellness to new countries and new people with an increasing focus on global exports. Busy lifestyles and increasing work pressures in everyday urban life have made it imperative to make self-monitoring diagnostic equipment a part of every household. The Company has tied up with international majors in this category and has brought to India a range of products that help people monitor their health on a day-to-day basis and thereby seek remedies well in time.

MLL being a manufacturer of bulk drugs & formulations is committed to provide a safe and healthy working environment and continually improve its EHS performance by preventing accidents, occupational illness and reducing occupational Health and Safety risks at work and exposure to hazardous chemicals: conserve the natural resources and prevent pollution to protect the environment. The Company has been involved in various Social Responsibility initiatives over the last many years. These efforts have substantially improved the quality of lives of people through health care, education, livelihoods and community development initiatives, making their living experience dramatically better.

The new Companies Act, 2013 (hereinafter referred to as 'the Act'), has introduced the idea of Corporate Social Responsibility. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") lay down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Act.

2. OBJECTIVE & SCOPE

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR one of the key focus areas, making a positive contribution to society through high impact, sustainable programs.

This Policy covers CSR activities to be undertaken by the Company and examining their coverage with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes any strategies/processes that define plans for future CSR activities.

The Company proposes to implement its CSR activities in various sectors stated hereunder:

- Hunger, poverty and malnutrition;
- Healthcare including preventive healthcare, sanitation and contribution to 'Swachh Bharat Kosh' set-up by the Central Government;

- Education including special educational and vocational skills;
- Gender equality and women empowerment including setting up homes and hostels for women, orphans, senior citizens and socially and economically backward classes;
- Environmental sustainability and conservation of natural resources including contribution to 'Clean Ganga Fund' set-up by the Central Government;
- Protection and restoration of National heritage and Art & Culture including setting up of public libraries;
- Measures for the benefit of Armed Forces' Veterans, War Widows and their dependents;
- Promotion of sports viz. rural, nationally recognized, Paralympic and Olympic;
- Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the SC/ST/OBC/Minorities/Women;
- Contribution of funds provided to technology incubators located within academic institutions approved by the Central Government;
- Rural and slum area development projects.

The Company will review the sectors from time to time and make necessary additions/deletions/clarifications to the above.

3. CSR COMMITTEE

3.1 Constitution:

Pursuant to the provisions of Section 135 of the Act, the Board has constituted a Corporate Social Responsibility (CSR) Committee consisting of the following Directors:

- Mr. Sushil Suri - Chairman
- Mr. B. R. Wadhwa - Member (Independent Director)
- Mr. Manoj Joshi - Member (Independent Director)

3.2 Powers of the Committee:

Following are the Powers of the CSR Committee:

- (i) Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval.
- (ii) Recommend CSR activities as stated under Schedule VII of the Act.
- (iii) Approve to undertake CSR activities in collaboration with other Companies,

- Firms, NGOs, etc.
- (iv) Recommend the CSR Budget to the Board of Directors.
 - (v) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules.
 - (vi) Institute a transparent monitoring mechanism for implementation of CSR Initiatives undertaken by the Company.
 - (vii) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company.
 - (viii) Monitor CSR Policy from time to time.

3.3 Frequency of the Meetings of the CSR Committee:

The CSR Committee shall meet as and when the need arises. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. Quorum for the meeting should be two. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Companies Act, 2013 and rules made thereunder from time to time. Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee. Minutes of the CSR Committee shall be placed before the Board for noting.

4. CSR BUDGET/CSR SPEND

The Act mandates companies meeting the qualification criteria to allocate not less than the prescribed percentage of the average net profits during the three immediately preceding financial years to be spent on CSR Activities that fall under purview of Schedule VII of the Act.

4.1 CSR Expenditure:

Net profit shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and rules made thereunder. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

4.2 Failure to spend the CSR Money:

In case the Company fails to spend the above targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be

reported by the Board of Directors in their Directors' Report for that particular Financial Year.

5. CSR INITIATIVES

The Company shall undertake its CSR activities, as approved by the CSR Committee through the Company itself or such other organization/entity so approved by the Committee.

The surplus arising out of the CSR activities shall not form part of the business profit of the Company.

6. POLICY REVIEW & FUTURE AMENDMENT

The Committee may review its CSR Policy from time to time and make suitable changes, as may be necessary and submit the same for the approval of the Board.

As per the CSR Rules the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.