



# **MOREPEN LABORATORIES LIMITED**

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## ***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 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 'Swach 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 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 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.
- 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;
- 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).
- disaster management, including relief, rehabilitation and reconstruction activities.

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 Committee shall comprise at least three directors including one independent director or or any other composition as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### **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. The 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.

#### **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.

#### **6. ANNUAL ACTION PLAN**

The Committee shall formulate and recommend an annual action plan to the Board for its approval. This annual action plan shall include the following details:

- the list of CSR projects or programmes that are proposed to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes as specified in the rules;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the Company.

Every year, the Committee will place for the Board's approval, an annual action plan delineating the CSR Programmes to be carried out during the financial year and the succeeding years in the case of Ongoing Projects along with the specified budgets thereof. In case of an ongoing project, the Board, on the recommendation of the Committee, shall approve the implementation of the project with 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. It shall also monitor the implementation of ongoing projects.

#### **7. POLICY REVIEW**

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.