

NEULAND LABORATORIES LIMITED

CSR POLICY

❖ Introduction

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. It is the process by which an organization evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies.

CSR is not charity or mere donations. CSR is an integral part of our culture and constantly seeks opportunities to give back to the society and make a difference to the lives of people by sharing business success with them, in an inclusive manner.

Neuland Laboratories Limited ("NLL") is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

The Companies Act, 2013 has mandated CSR for Companies having

- Net worth is Rs. 500 crores or more (or)
- Turnover is Rs. 1000 crores or more (or)
- Net Profit is Rs. 5 crores or more.

❖ NLL's CSR Vision

To actively contribute to the social and economic development of the communities in which we operate through our services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of our role as a Socially Responsible Corporation.

❖ Policy Objective

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

❖ **Scope of Activities**

NLL shall promote CSR activities/Projects in the field of Education, including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently-abled and livelihood enhancement projects, with special emphasis on the education of the girl child.

NLL shall also undertake any of the following Activities/Projects or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR") including:

- a) Education/Literacy Enhancement
- b) Environment Protection / Horticulture
- c) Infrastructure Development
- d) Drinking water/ Sanitation
- e) Healthcare/ Medical facility
- f) Community Development
- g) Skill Development / Empowerment

The CSR Activities shall be undertaken only in India for the benefit of the public and also preference shall be given to the local areas and areas where the Company operates for undertaking the CSR Activities.

❖ **Amount to be spent on CSR Activities**

- a) The Company shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years.
- b) Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.
- c) CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII.

❖ **CSR Committee**

The Board of Directors has constituted a CSR Committee with the following Directors:

- Mr. Humayun Dhanrajgir
- Mr. D.Sucheth Rao
- Mr. D.Saharsh Rao

❖ **Role of the Committee**

The Committee shall carry out of the following functions:

- a) Recommend to the Board CSR Activities to be undertaken
- b) Recommend the CSR budget for the financial year to the Board
- c) Delegation of CSR activities to CSR Team of the Company
- d) Approve all the expenses related to the CSR activities
- e) Monitor all the CSR activities undertaken by the Company
- f) Ensure compliance of CSR Policy and the Rules
- g) Any other functions as may be delegated and/or assigned by the Board from time to time.

❖ **Implementation Strategy**

- CSR teams will be formed at the facilities and Corporate Office
- Each level will have a CSR Champion to carry out the CSR programs/activities
- The amounts to be spent will be authorized by the CEO
- CSR Committee will formulate the procedures for day-to-day decisions, processes, practices, programs and activities that ensure the teams implement the CSR strategy.

❖ **Reporting**

The Committee shall submit a quarterly report giving status of the CSR activities undertaken, expenditure incurred and such other details as may be required by the Board
