

1. INTRODUCTION

1.1 Background

Ind Swift Laboratories Limited (ISLL) has always endeavored to conduct its business ethically, responsibly, mindful of its social accountability and regard for human dignity. As a good corporate citizen, ISLL has striven for long term value creation for all its stakeholders.

Over the years, the Company has grown in size and is present across different locations in India and other countries as well. This has led to the recognition that there is a need to formulate guidelines and an operating mechanism for implementing and evaluating various initiatives under CSR program.

1.2 Vision Statement

ISLL is a responsible Corporate Citizen and would continue to make a serious endeavor for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives and focus on education, environment, health care and other social causes.

1.3 Short Title

In the aforesaid backdrop, CSR policy of the Company has been framed keeping in view the provisions of the Companies Act, 2013 and various notifications and circulars issued by the Ministry of Corporate Affairs on the same. This document establishes the approach and guidelines regarding initiatives to be taken under Corporate Social Responsibility of Ind Swift Laboratories Limited and is titled as **Ind Swift Laboratories Limited CSR Policy**.

1.4 Objectives of CSR

- 1.4.1 The Company shall endeavor to reinforce its image as a socially responsible corporate citizen.
- 1.4.2 The Company shall ensure that all communities benefit from its CSR activities but the primary focus would be on underprivileged, disadvantaged and deserving sections of society including women and adolescent girls.
- 1.4.3 CSR programs will primarily be pursued in areas which fall in close proximity of the Company's operations so as to enable close supervision and maximum developmental impact for the local community particularly in rural areas, but the scope will include other locations as well.

1.5 Definitions

- 1.5.1 **“Corporate Social Responsibility”** shall mean & include but is not limited to projects/initiatives undertaken for the welfare of the underprivileged & disadvantaged segments of the society.

- Such activities shall be within the ambit of Schedule VII of the Companies Act, 2013 (amended till date).
- 1.5.2 **“CSR Committee of the Board”** shall mean the Corporate Social Responsibility Committee of the Board as may be notified from time to time in terms of the provisions of subsection (1) of section 135 of the Companies Act, 2013.
- 1.5.3 **“Corporate CSR Committee”** shall be the corporate level CSR Committee review responsible for appraising the proposals which are received from the units. The committee will put up the appraised proposals for approval and information of the CSR committee of the Board.
- 1.5.4 **“Corporate CSR Team”** shall mean the corporate level team engaged in identifying and implementing Corporate CSR initiatives.
- 1.5.5 **“Company”** with respect to this Policy shall mean Ind Swift Laboratories Limited having its Corporate Office at SCO 850, Shivalik Enclave, NAC Manimajra, Chandigarh.
- 1.5.6 **“Local CSR team”** shall mean the unit level team engaged in identifying and executing local CSR initiatives.
- 1.5.7 **“Net Profit”** for the purpose of CSR means the net profit of the Company as per the financial statement prepared in accordance with Section 198 of the Companies Act, 2013.

2. PLANNING

2.1 Resources

- 2.1.1 Company shall endeavor to spend 2% of the average net profits made during the three immediately preceding financial years. (Net profit to be calculated in accordance with the provisions of section 198 of the Companies Act, 2013)
- 2.1.2 Allocation of the above corpus among different projects will be made by the CSR Committee of the Board on the recommendation of the Corporate CSR Committee and as per the Annual CSR Plan.

2.2 Focus Areas

- 2.2.1 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
- 2.2.2 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 2.2.3 Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- 2.2.4 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

- 2.2.5 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
- 2.2.6 measures for the benefit of armed forces veterans, war widows and their dependents;
- 2.2.7 training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports
- 2.2.8 contribution to the prime minister's national relief 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;
- 2.2.9 Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
- 2.2.10 rural development projects
- 2.2.11 slum area development
- 2.2.12 disaster management, including relief, rehabilitation and reconstruction activities
- 2.2.13 Promoting education including
- 2.2.14 Any other project (as defined in Schedule VII of the Companies Act, 2013) may also be taken up as and when considered necessary.

3. IMPLEMENTATION

3.1. Guidelines for Commissioning & Evaluating the Projects

- 3.1.1 All projects shall be undertaken within the defined ambit of Schedule VII of Companies Act, 2013 and preferably falling within the company focus areas listed above.
- 3.1.2 Projects shall be implemented by the corporate or local level CSR teams, as the case may be, preferably within a radius of 7-10 Kms of the manufacturing facility.
- 3.1.3 It shall be ensured that projects have a reasonable & measurable impact on the target segment of the community.
- 3.1.4 Risk assessment of the project wherever applicable, shall be carried out while appraising the project.

3.2 Implementation Teams will be responsible for:

- I. Identifying the felt needs of local community by directly engaging with the target segments.
- II. Detailed evaluation of each proposal and submitting to Corporate CSR Committee. Each proposal shall cover, besides justification, the time period over which a particular program will be spread, the extent

of coverage and the intended impact on the target segment of society.

3.3 Annual CSR Activities Plan

- 3.3.1 The Company shall before start of each financial year prepare an Annual CSR activities plan enumerating therein various initiatives/activities to be taken up including resources requirement and allocation across locations.
- 3.3.2 The Annual CSR plan shall be approved by the CSR committee of the Board.
- 3.3.3 All specific proposals submitted by Corporate/local CSR team during the year shall preferably be in conformity with the Annual CSR plan.

4. MONITORING & FEEDBACK

4.1 Quarterly Progress Reports – A quarterly report of all initiatives taken up under the Annual CSR plan shall be submitted by the corporate/local teams to the Corporate CSR Committee which shall monitor achievement against targets set out at the beginning of each financial year. This shall include:-

- Status of each CSR project undertaken for execution/completed
- Site visits undertaken
- Expenditure incurred on CSR
- Any media coverage of the said initiatives
- Slippage, if any
- Felt needs of the target segment identified
- Plans for the next quarter; and
- Issues to be deliberated, if any.

The same shall be examined and collated by Corporate CSR Committee with observations if any, and put up to the CSR Committee of the Board for review.

4.2 Annual progress Report - An Annual progress report of all initiatives taken up during the financial year shall be submitted by the Corporate CSR committee to the CSR Committee of the Board.