

HEALTHIUM MEDTECH LIMITED

CIN No. U03311KA1992PLC013831

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Bangalore -560058

CORPORATE SOCIAL RESPONSIBILITY POLICY

FOREWORD

Corporate Social Responsibility (“**CSR**”) in India is introduced under the Companies Act, 2013. The idea of CSR to the forefront and also promoted greater transparency and disclosure in the same.

The management of the Company has therefore decided to bring together its existing operating principles into one framework policy under the heading of CSR Policy. The principles encompassed in this CSR Policy shall cover all areas of the Company’s operations and have been developed and continue to be reviewed against and updated by reference to relevant codes of corporate governance as provided under the Act and the subsequent CSR Rules. The Board of Directors of the Company support the principles set out in this CSR Policy and aim to translate that support into a set of guidelines that set a common approach for the Company and provide practical guidance for our managers and employees. This CSR Policy provides general guidelines as to how CSR shall be complied with by the Company.

I. PREAMBLE

At Healthium Medtech Limited (“**HML/Company**”), CSR has been an integral part of the Company in the way we operate our business since inception. The Company has always been serious towards its commitment for the betterment of the society and has always supported causes, which would improve the condition of healthcare. Our CSR initiatives will help in fulfilling aspirations of society to become sustainable and resilient.

II. OBJECTIVE AND PURPOSE

The objective of the Policy is:

- i. to lay down guidelines to make CSR a key business process for sustainable development of the society in alignment with the Companies Act, 2013;
- ii. to undertake projects and programs that will enhance the quality of life and economic well-being of the under privileged sections of the society;
- iii. to generate awareness, goodwill and recognition among all stakeholders of the Company.

The purpose of this CSR Policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR Policy applies throughout all of the procurement service and governs our approach to all our activities. In implementing this Policy, we aim to be responsible and be an example of good practice.

III. COMPANY COMMITMENT

The Company is committed to:

- i. Continuous improvement in our CSR strategy;
- ii. Encouraging our business partners to strive for matching performance and act in a socially responsible way;
- iii. Continually improving our performance and meeting all relevant legislations; and
- iv. Encouraging our staff to be mindful of the effect of their actions on any natural resource.

IV. CSR MAINSTAY

The Company may implement its CSR activities through the following methods:

- i. Directly on its own;
- ii. Through permitted governmental routes, including but not limited to contribution to the Prime Minister’s National Relief Fund;
- iii. Through its own non-profit foundation which may be set - up so as to facilitate this CSR initiative;

- iv. Through independently registered Non-Profit Organizations ('**NPO**') or Non-Government Organizations ('**NGO**') that have an established track record of at least three years in similar and related activities; and
- v. Collaborating or pooling their resources with other companies.

V. CSR COMMITTEE:

The Company had constituted Corporate Social Responsibility Committee ("the Committee") comprising of following three Directors:

1. Mrs. Namrata Kaul- Chairman
2. Mr. Sudarshan Kailash Chandra Jain
3. Mr. Anish Vanraj Bafna

The Company Secretary of the Company shall act as Company Secretary to the Committee.

Board of Directors of the Company may re-constitute the Committee, as and when required in accordance with the provisions of Companies Act, CSR rules, regulation and notification issued by Ministry of Corporate Affairs from time to time.

The CSR committee may form sub-committee constituting of Senior Executive/ employees. The CSR committee may delegate its power to sub-committee, in order to ensure smooth implementation of CSR projects. The members of sub-committee shall be listed in Annexure I of this policy.

VI. POWERS OF THE CSR COMMITTEE

Following are the powers of the CSR Committee:

- i. Formulate CSR Policy;
- ii. Recommend the CSR Policy to the Board of Directors of the Company for approval;
- iii. Recommend CSR activities which are listed as under Schedule VII of the Act;
- iv. Approve to undertake Company's CSR activities in collaboration other Companies/ firms/ NGOs, etc. and to separately report the same in accordance with the CSR Rules;
- v. Recommend the CSR budget;
- vi. 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;
- vii. Create transparent monitoring mechanism for implementation of CSR Initiatives in India;
- viii. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- ix. Monitor CSR Policy from time to time;
- x. Monitor activities and ensure that the CSR activities of the Company are implemented effectively;

xi. Authorize CSR sub-committee members to attend the CSR Committee Meetings; and Appoint, terminate and otherwise manage personnel for implementation and monitoring and related work with respect to the CSR Policy, Plan and recommendation of the CSR Committee.

VII. CSR ACTIVITIES:

Pursuant to Schedule VII and Section 135 of the Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertaken under the CSR policy of the Company. The Board of Directors have reviewed the said activities and express its consent to the Committee to pursue the same.

The scope of CSR activities of the Company will cover the following areas, but not be limited to the same and may extend to other specific projects/ programs as per Schedule VII of the Act from time to time.

VIII. APPROVED CSR ACTIVITIES:

1. Promoting preventive healthcare and sanitation to public;
2. Promoting education, including primary, secondary and higher secondary education, as well as special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. Projects, Activities, Programmes relating to conservation of natural resources including renewable energy sources;
4. Projects, Activities, Programmes relating to water conservation and maintaining quality of soil, air and water;
5. Promoting Gender equality and empowerment of women
6. Community Health- Innovation projects to meet local needs. Reaching out with basic health care to all (bridging the gap).
7. Sustainable livelihood Projects – Holding hands of all marginalized group to improve livelihood opportunity, thus improving their quality of life.
8. Rural Infrastructure Development- Need based quality infrastructure to improve quality of life.
9. Contribution to the 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 schedule caste, tribes, other backward classes, minorities and women.
10. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]

The approved activities shall include all such CSR activity mentioned in Schedule VII of the Companies Act, 2013 and any inclusion/ additions made by the Government to the said Schedule.

IX. BUDGET FOR CSR ACTIVITY & CSR EXPENSES:

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profits of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee/Sub-Committee shall calculate the total fund for the CSR activities and recommend to the Board for their approval. The Board shall approve the total fund to be utilized for CSR activities for the respective financial year.

The CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board 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 which fall within the approved CSR activities and the board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

Treatment of un-spent CSR Amount and Set-off of excess amount spent towards CSR:

Any amount spent in excess of the amount required to be spent can be set-off or any amount remain unspent during the Financial Year is required to be transferred to the unspent account as per the provision of the Companies Act, 2013.

X. ANNUAL ACTION PLAN

The Annual Action CSR Plan is a yearly plan of CSR activities that would be placed before Board of Directors of the Company after the recommendation of its CSR Committee which may outline the following aspects of CSR initiatives of the Company:

- i. CSR Projects
- ii. Partnering agencies/ companies/ firms
- iii. Project Proposals
- iv. Beneficiaries of the Project and their needs
- v. Alignment with Schedule VII of the Act
- vi. Project analysis
- vii. Activities and the timelines for each activity
- viii. CSR Budget
- ix. Monitoring mechanism
- x. Progress reporting and frequency of reports
- xi. Any other information as may be required by the CSR Committee

XI. IMPACT ASSESSMENT:

The Company is required to carry the impact assessment in case at any time the average CSR obligation crosses *ten crore rupees or more* in the immediately three preceding financial years

through an independent agency of their CSR projects having outlays of one crore rupees or more and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be annexed to the Annual Report on CSR and the Impact assessment expenditure can be booked as CSR expenses. However, it shall *not exceed five percent of the total CSR expenditure* for that financial year or fifty lakh rupees, whichever is less.

XII. IDENTIFICATION OF ACTIVITIES/PROJECTS:

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyze the basic need of the community/ area in which the Organization operates or at the place where its registered office is situated. The Committee shall record its findings and prioritize the CSR activities.

A. Implementation process:

After prioritizing the activity, the Committee shall finalize the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

B. Organizational Responsibility:

CSR sub-committee shall monitor the implementation process from time to time, on behalf of the CSR committee and place a report to the Committee regarding the progress of the activity implementation, on a quarterly basis. The respective department or implementation team would be responsible for reporting of any irregularity to the Committee on immediate basis.

C. Monitoring by the Board:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on yearly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

D. Compliance and Reporting to Board:

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from yearly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incurred, surplus arising, if any, result achieved, further work to do in the concern CSR activity, recommendation for the CSR activities for next year etc; should be placed before the Board for its consideration.

Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company or such surplus shall be ploughed back into the same project or shall be transferred to the Unspent CSR account within the stipulated period.

The Annual Report of the Company shall include a report on CSR Policy, CSR Committee, CSR initiatives undertaken by the Company, CSR spend during the financial year and other information as required by the prevailing law.

E. Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

XIII. Frequency OF CSR COMMITTEE MEETINGS

The meeting of the CSR Committee shall be held as and whenever deemed fit by the CSR Committee in compliance with the applicable law. The time and place of the said meetings shall be decided by the members of the CSR Committee. The quorum for the meeting shall be at least two members. 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 Act and Rules made thereunder from time to time. Minutes of the CSR Committee shall be placed before the Board for noting.

XIV. Amendments to the Policy

The Board of the Directors as per the recommendation of CSR Committee can amend this Policy, as and when deemed fit, Any or all provisions of this Policy would be subject to revision/ amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

XV. Website disclosure

As per the provisions of the Act, the details of CSR Committee, CSR policy and Projects approved by the board shall be displayed on the Company's website, if any.

Annexure –I

List of CSR Working group

1.	Mrs. Kankana Barua, CHRO
2.	Dr. Ashok Kumar Moharana, Chief Medical Officer
4.	Mrs. Pallavi Karkera, Company Secretary

The Members of the Committee individually shall have power to appoint/ modify the members in sub-committee.

