

Manipal Health Enterprises Limited

POLICY ON CORPORATE SOCIAL RESPONSIBILITY (AMENDED)

1. Introduction

The Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. This has also enabled us to fulfil our commitment to be a socially responsible corporate citizen.

Constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy has become mandatory under the Companies Act, 2013. Accordingly, our Company has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programmes.

2. Objective

The main objective of Company's CSR policy is –

1. To lay down guidelines to make CSR a key business process for sustainable development of the society.
2. To conduct its business in a socially and environmentally sustainable manner that is transparent and ethical, thereby upholding the Company's commitment to all its stakeholders.
3. To directly / indirectly undertake projects / programmes which will enhance the quality of life and economic well-being of the communities in and around us and society at large.
4. To recognise that the Company operates within a larger ecosystem of people, values, organisations, nature, and the environment, and to reinforce its responsibility to meaningfully contribute back to society.

3. Definitions

In this Policy, unless the context otherwise requires:

“**Act**” shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof.

“**Rules**” shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.

“**Financial Year**” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

“**Net Profits**” shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.

“**Company**” shall mean Manipal Health Enterprises Limited.

“**Group Companies**” shall mean holding, subsidiaries, and associates of the Company.

“Board” shall mean the Board of Directors of the Company.

“Approved Budget” shall mean the total budget as approved by the Board of the Company, which is to be spent or utilised for CSR activities.

“Annual Plan” shall mean the annual planned CSR expenditure for the year.

“CSR Committee” shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Directors.

“CSR Policy” shall mean the Corporate Social Responsibility Policy of the Company, which covers the yearly activities undertaken by the Company under the policy and the CSR Expenditure thereon.

“CSR Activities” shall mean all the Corporate Social Responsibility activities / programmes / initiatives of the company, either ongoing or new, including but not limited to green belt / environmental protection / ecological balance / slum 4 rehabilitation / education / sports etc., and those specified in Schedule VII to the Act (as amended from time to time) at corporate office, project offices of the Company, its subsidiaries and associates wherever located, as recommended by the CSR Committee and approved by the Board.

“CSR Expenditure” shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following:

- Contributions to CSR activities which shall be implemented and / or executed by the Company.
- Contributions to CSR activities which shall be implemented through Manipal Foundation or any other Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.
- Contribution to the Corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities or where the corpus is created exclusively for the purpose directly relatable to a subject covered in Schedule VII of the Act.
- Any other contributions covered under Schedule VII to the Act.

“Key Areas” shall mean the areas or activities ascribed to them in this Policy, as amended by the CSR Committee, from time to time. Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and / or Rules.

4. CSR Committee

The Board of Directors of the Company have constituted a CSR Committee pursuant to the provisions of section 135 of the Companies Act, 2013 and the Rules made thereunder.

The CSR Committee shall, inter alia, carry out the following functions:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder.

- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

5. Key Areas

While we strive to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, we focus to support and implement, *inter alia*, the following activities as our Key areas:

- Promoting education, including special education, and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by social and economically backwards groups.
- Promote preventive healthcare by conducting awareness campaigns in rural and urban areas, organizing free screening and diagnostic camps, and providing free treatment including emergency care, ambulance support, consultation, investigations and medicines for marginalized and disadvantaged communities.
- Promote research in healthcare
- 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 including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga or any other objectives from time to time.
- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Training to promote rural sports, nationally recognised sports, paralympic sports, and Olympic sports.
- Rural development projects.
- Disaster management, including relief, rehabilitation, reconstruction activities.

6. CSR Mainstay

CSR activities at MHEL shall be carried out through:

- **Manipal Foundation**

Manipal Foundation, a charitable arm of the Manipal Group was formed in 2002. Dr. T.M.A Pai, the founder and philanthropic spirit behind the Manipal Group, channelised his energies to create wealth of a different kind, touching lives of people by making an effort to empower them. This empowerment, he believed was possible by improving areas of Healthcare, Education, Vocational Skill Training and Woman Empowerment. Manipal Foundation has been providing funding support for social initiatives since its inception. Over the years the impact of the Foundation's support has touched thousands of lives in Healthcare, Education, Livelihood activities and Women Empowerment.

- Collaboration with other Companies undertaking projects/programs in CSR activities.
- Contribution/ donation made to such other organisation/ institutions as may be permitted under the applicable laws from time to time.

7. Implementation

- The CSR Committee will identify and recommend to the Board the CSR activities including the Key Areas, Annual Budget, Planned Expenditure and implementation schedule etc.
- The CSR activities will be carried out directly or indirectly at the corporate office, in and around the areas of the projects/units of the Company, and Group Companies. However, this shall not bar the Company from pursuing its CSR activities in any other areas.
- The CSR activities will be carried out / implemented, directly or indirectly, by itself or through Manipal Foundation or any other Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.

8. Exclusion from CSR

The following activity shall not form part of the CSR activities of the Company:

- The activities undertaken in pursuance of normal course of business of a Company.
- CSR projects / programmes or activities that benefit only the employees of the Company, its Group Companies and their families.
- Any contribution directly / indirectly to political party or any funds directed towards political parties or political causes.
- Any CSR projects / programmes or activities undertaken outside India.
- Expenses incurred by the Company for one off event such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programs etc.
- Other contributions / expenses not recognised under the Act / Rules as amended or modified, from time to time.

9. CSR Spend / Sources of Funding

The committee shall endeavour to spend atleast 2% of the average net profit made during the immediate three preceding financial years, on CSR activities as enumerated above. The allocation of the fund shall be made as follows:

- **Manipal Foundation**

Such amount as may be sanctioned by the Board of Directors based on their Annual Budget and Annual Action Plan.

- **Others**

As decided by the CSR Committee based on the evaluation of specific project / activities and approved by the Board of the Company.

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.

10. Monitoring and Reporting

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website.

The CSR Committee has the powers to:

- Seek monitoring and implementation report from the Organisations receiving funds.
- Delegate a designated company official to co-ordinate with the Organisation receiving funds to inspect the activities undertaken and ensure information in a timely manner.

The CSR Committee shall place before the Board, a draft annual report on CSR activities as per the specified format, in the Board Meeting of the following year for Board's review and finalisation. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

11. Effective Date

This policy will be effective from the date of approval by the Board.
