



HEALTHCARE GLOBAL ENTERPRISES LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY (“CSR Policy”)

(Approved by the Board of Directors of the Company on May 24, 2017)



1. **Introduction & Background:**

HealthCare Global Enterprises Limited (“the Company” or “HCG”) has been, over the years, pursuing as a part of its corporate philosophy, an unwritten CSR Policy voluntarily, which goes beyond mere philanthropic gestures, and integrates interest, welfare and aspirations of the community with those of the Company itself; and has created an environment of partnership for inclusive development. However, in accordance with the Section 135 of the Companies Act 2013 and the Rules made thereunder, the Board of Directors (“the Board”) of the Company have adopted the following policy and procedures to engage with the social and ecological challenges that are faced by the communities in which the Company or its subsidiary companies operate.

This policy will be applicable to the Company and guide its obligations as a responsible member of society along with enhancing its relationships with all its stakeholders and communities including its employees based on the laws and regulations applicable on the Company.

2. **Objectives:**

The main objective of this CSR Policy is to lay down guidelines for HCG and its subsidiary companies to make CSR a key business process for sustainable development of the Society. It aims at staying committed for ensuring socio-economic development of the community through different participatory and need- based initiatives in the best interest of the poor and deprived sections of the society, so as to help them to become self-reliant and build a better tomorrow for themselves. This in turn would lead to sustainable growth of the enterprises they are engaged with, the society and the country at large.

In alignment with the above, HCG, through the CSR Activities, will conduct and initiate programmes focusing on areas covered in the Policy so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate.

3. **Definitions:**

- a) "Act" means the Companies Act, 2013.
- b) "Company or HCG" means the Healthcare Global Enterprises Limited.
- c) "Chairman" means Chairman of CSR Committee.
- d) "CSR Committee or Committee" means Corporate Social Responsibility Committee of Board of Directors of the Company constituted under Section 135 of Companies Act, 2013.
- e) "Board" means Board of Directors of the Company.
- f) "Employee" means employee of the Company whether employed in India or outside India.
- g) "Policy" means Corporate Social Responsibility Policy.

Words and expressions used and not defined in this Policy but defined in the Act and rules and regulations made there under shall have the meanings respectively assigned to them in the Act and rules.



4. **Key Focus Areas:**

In accordance with the requirements under the Companies Act, 2013, HCG's CSR activities, amongst others, will focus on:

- **Hunger, Poverty, Malnutrition and Health:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- **Education:** Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting student in their studies.
- **Gender Equality and Women Empowerment:** Promoting gender equality and empowering women; setting up homes and hostels for women and orphans; setting up of old age homes, day care centres and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **Environmental Sustainability:** Ensuring environmental sustainability, ecological balance, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air & water.
- **National Heritage, Art and Culture:** Protecting national heritage, art & culture promoting and developing traditional arts and handicrafts.

The Company will undertake its CSR activities approved by the CSR Committee, primarily through trusts and charitable organizations including those trusts and charitable organisations formed within HCG group or entities formed by the Promoters of the Company with a proven track record of being engaged in such CSR activities or such other entity/organization as approved by the CSR Committee.

5. **CSR Implementation:**

The Company's CSR programmes will be identified and implemented according to the approved CSR policy. This CSR Policy builds on the learnings from and good practices followed by the Company's from its ongoing philanthropic and social activities running since 2006. The Company will enhance its monitoring and evaluation mechanism so as to ensure that every programme has:

1. Clearly defined objectives (developed out of existing societal needs determined through baselines/studies/research), targets and time lines.
2. A robust progress monitoring system.
3. Impact assessments.
4. A reporting framework and system in alignment with the Act and Rules.



Sl No	Focus Areas	Action Plan
1	Hunger, Poverty, Malnutrition	HCG will work with various not for-profit organizations that helps in providing food, nutrition supplement, clothes etc., for the deprived sections of the society. HCG will also participate in programmes for the provision of shelter for homeless, promoting sanitation and making available safe drinking water.
2	Healthcare	HCG would continue to provide healthcare services including conducting awareness programmes, health check-ups, preventing diseases and building immunity, provision of medicine & treatment facilities, and providing subsidized medical care to the socially and economically marginalized sections of society.
3	Education	The Company believes that organizational growth is impossible without the sharing and pooling of knowledge and resources. HCG's focus on education will be: <ul style="list-style-type: none"> a) To train students from underprivileged background in its various development centres. b) Provide grants to educational institutions in India for improving their infrastructure and other amenities like benches, toilets, potable water, fans etc. c) Supporting other educational institutions especially set up for children, women, elderly and the differently abled.
4	Gender Equality	The Company will, among other things, focus on promoting gender equality and empowering women by providing: <ul style="list-style-type: none"> a) Adult literacy for women. b) Training in vocations pursued by women. c) Setting up homes for women & orphans; d) Setting up old-age homes & other facilities for senior citizens e) Setting up hostels for working and student women, day care centres for kids of working women.
5	Environmental Sustainability	The Company would participate with other organizations for ensuring environmental sustainability and ecological balance through : <ul style="list-style-type: none"> a) Plantation drives in schools, villages, our offices/business premises and other areas in general; b) Reviving endangered plants, promoting agro-forestry; c) conservation of natural resources; d) Promoting biodiversity; e) Promoting alternate energy resources.
6	Art & Culture.	The Company will work towards protection of national Heritage, Art and Culture. This shall include disseminating and creating awareness about various forms of Indian culture, provide financial assistance to promote Artists and Cultural Professionals for seminars, festivals, exhibitions etc., on cultural subjects, in order to create awareness and promote the

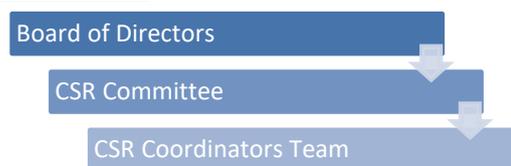


		culture of India. It also has a component of providing financial assistance to underprivileged artists and students desiring to study Indian culture or art form or learn any form of music, dance, painting, etc.
7	Rural Development	We believe that well-being of people living in rural areas ensures sustainable development. We intend to partner with government and NGOs and support them in improving infrastructure and rehabilitating natural disaster affected victims in rural areas.

6. CSR Budget:

- a. The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediate three preceding financial years, unless the Board has adequate reasons to defer the CSR spend.
- b. The unutilized CSR budget from the 2% of the average net profit will be parked in a CSR Fund (Corpus) created by the company. This Fund would also include any income arising there from and any surplus arising out of CSR activities.
- c. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.
- d. The Company may collaborate or pool resources with other companies (its subsidiary companies) to undertake CSR activities.

7. CSR Governance Structure:



8. Role & Responsibilities:

A. The Board -

The Board of Directors of the Company will be responsible for:

- Approval of the CSR Policy.
- Disclosing the content of the Policy in its report and place the Policy on the Company’s website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with CSR Rules.
- Ensuring that the social projects included in the Policy are undertaken by the Company.
- Ensuring that the Company spends, in every financial year, at least 2 % of the average net profits of the Company during the three immediately preceding financial years in pursuance of the Policy.



- Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects.
- Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.

B. CSR Committee –

- **Composition:** The Corporate Social Responsibility Committee was constituted by our Board of Directors at its meeting held on May 29, 2015. The Members of the Committee are as follows:

Sl No	Name of the Member	Designation
1	Dr Sudhakar Rao	Chairman
2	Dr B. S. Ajaikumar	Member
3	Dr Sampath Thattai Ramesh	Member
4	Ms Bhushani Kumar	Member

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

The Board shall have the power to make any change(s) in the constitution of the Committee.

- **Responsibility:**
 - a. Formulate and recommend the CSR Policy to the Board for approval. The Committee shall indicate the projects to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013.
 - b. Monitor the Policy from time to time and recommend changes to the Board.
 - c. Recommend the amount of expenditure to be incurred on CSR projects.
 - d. Institute a transparent monitoring mechanism for ensuring implementation of social projects undertaken by the Company.

C. CSR Coordinators Team:

The CSR Committee shall identify a team of employees of the Company who shall have the following responsibilities:

- a. Act as a central co-ordinating point for the delivery of CSR activities.
- b. Co-ordinate with the implementing departments for project design and implementation of CSR programmes in compliance with the Section 135 of the Companies Act 2013 and the Rules made thereunder.
- c. Plan annual budgets for CSR projects in co-ordination with the implementing departments and make a proposal to the CSR Committee.
- d. Identify and manage partners to implement programs as required.



- e. Report to the CSR Committee the progress on CSR projects and status of CSR expenditure once in each quarter.
- f. Documentation and reporting of all CSR activities of the Company in pursuit of the Companies Act and the CSR Rules.
- g. Any other activities that may be required to effectively deliver the CSR programs of the Company.

9. Reporting & Disclosures:

Apart from the reporting requirement as mentioned hereinabove in the Policy, following regulatory disclosure requirements also need to be complied in relation to CSR activities of the Company:

- a. Composition of the CSR Committee shall be disclosed in the Board Report;
- b. The Board’s Report shall include an annual report on CSR activities in prescribed format by Ministry of Corporate Affairs (‘MCA’) containing specified particulars i.e. brief outline of CSR Policy, its content, the average net profit for the last 3 financial years and the prescribed CSR expenditures etc;
- c. If the company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount;
- d. The content of Policy shall be displayed on the company's website

Format of Reporting for Directors’ Report shall be as per **Annexure – 1** as may be amended from time to time.

10. Monitoring Framework:

- **Project monitoring** - The Company will institute a well-defined monitoring and evaluation mechanism to ensure that each social project has:
 - a. Clear objectives developed out of the societal needs that are determined through baseline studies and research
 - b. Clear targets, timelines and measurable parameters wherever possible
 - c. A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act and the CSR Rules

The CSR progress monitoring authorities and the frequency of review is given below:

Sl No	CSR Monitoring Authority	Frequency of Review
1	Board of Directors	Half Yearly
2	CSR Committee	Half Yearly



- **Budget monitoring** - The Company will establish an accounting system to ensure project wise accounting of CSR Spend.

11. Effective Date of the Policy:

This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.

12. 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.

13. Amendment:

The CSR Committee is empowered to amend or modify the CSR Policy and such changes shall be placed before the Board for its approval. The Board may subject to compliance with applicable law, at any time approve or alter, amend or modify the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.



Annexure 1

FORMAT

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for last three financial years.
4. Prescribed CSR Expenditure *(two per cent of the amount as in item 3 above)*
5. Details of CSR spent during the financial year:
 - a. Total amount to be spent for the financial year;
 - b. Amount unspent, if any;
 - c. Manner in which the amount spent during the financial year is detailed below

SI No	CSR project or activity identified	Sector in which the project is covered	Projects or programme: (i) Local area or other (ii) Specify the State or District where the projects or programmes was undertaken	Amount outlay (Budget) project or program wise	Amount spent on project or programs: Sub head: 1. Direct expenditure on project or programme; 2. Overhead	Cumulative expenditure up to the date of reporting	Amount spent: Direct or through implementing agencies*
Total							

*Give details of implementing agencies

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.