

**ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31.03.2023****CORPORATE SOCIAL RESPONSIBILITY POLICY****HEALTHCAPS INDIA LIMITED****A. CSR POLICY & PHILOSOPHY**

**HEALTHCAPS INDIA LIMITED (HIL)** is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. Social service, ecological balance and environmental protection are our mission. We firmly believe that to succeed, an organization must maintain highest standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

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 programs.

**B. CSR VISION**

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

**C. CONSTITUTION OF CSR COMMITTEE**

In terms of section 135 of the Companies Act, 2013 and the Rules made there under, Board of Directors of the Company at its meeting held on 28th March, 2015 has constituted a CSR Committee. The composition of present CSR Committee consists of following members;

S.No	Name of the Director	Category of the Director	Position held in the Committee
1.	Sh. Chiranjiv Singh	Managing Director	Chairman
2.	Sh. Gurcharan Singh	Non-Executive Independent Director	Member
3.	Sh. Arun Kumar Bhakoo	Non-Executive Independent Director	Member

The CSR Committee to, 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 there under.
- 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.

**D. 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.

3. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
4. "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.
5. "Company" shall mean **Healthcaps India Limited**.
6. "Group Companies" shall mean holding, subsidiaries and associates of the Company.
7. "Agency" or "Agencies" shall mean any Section 8 Company under the Act or a registered trust / society / Non-Government Organization / Institution performing social services for the benefit of the society at large.
10. "Board" shall mean the Board of Directors of the Company.
11. "Approved Budget" shall mean the total budget as approved by the Board of the Company, which is to be spent or utilized for CSR activities.
12. "Annual Plan" shall mean the annual planned CSR expenditure for the year.
13. "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 there under, comprising of three or more Directors, out of which, at least one director shall be an Independent Director.
14. "CSR Officer" shall mean a person engaged by the Company to assist the CSR Committee to implement the CSR activities envisaged under the Policy.
15. "CSR Policy" shall mean the Corporate Social Responsibility Policy of the Company approved by the Board of Directors at its meeting held on 30th May, 2015 which covers the yearly activities undertaken by the Company under the policy and the CSR Expenditure thereon. The said policy has been revised every year.
16. "CSR Activities" shall mean all the Corporate Social Responsibility activities / programs / initiatives of the company, either ongoing or new, including but not limited to green belt / environmental protection / ecological balance / slum 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.
17. "CSR Expenditure" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following;
  - i) Contributions to CSR activities which shall be implemented and / or executed by the Company.
  - ii) Contributions to CSR activities which shall be implemented Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.
  - iii) 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.
  - iv) any other contributions covered under Schedule VII to the Act.
18. "Thrust Areas" shall mean the areas or activities ascribed to them in this Policy, as amended by the CSR Committee, from time to time.
19. "Trust" shall mean a trust formed and registered under the Indian Trust Act, 1882 and under the Income Tax Act, 1961 for those states where registration of trust is not mandatory and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.  
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.

## **E. THRUST AREAS**

Following are the thrust area/ activity as specified in Schedule VII to the Act,

- eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water:
- 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 centre and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Swatch Bharat Kosh set-up by the central government for the promotion of sanitation, and including contribution to Clean Ganga Fund set-up by the central government for rejuvenation of river Ganga
- 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 arts and handicrafts:
- measures for the benefit of armed forces veterans, war widows and their dependents;
- training to promote rural sports, nationally recognised sports, paraolympic sports and Olympic sports;
- 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 Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women;
- contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- rural development projects including construction and renovation of roads, schools, dispensaries etc.
- development of slum area
- donation to PM Cares Fund

## **F. IMPLEMENTATION**

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust 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 of the Company.

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, through Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.

## **G. EXPENDITURE NOT COVERED OR RECOGNISED**

In terms of the Rules, the following contributions shall not be considered as CSR Expenditure;

- a. Contributions of any amount, whether directly or indirectly, to any political party or any person associated with a political party.
- b. Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.
- c. Expenses incurred by the Company for the fulfillment of obligations any act / statute of regulations (such as labour laws, land acquisition act etc.)
- d. Expenses incurred by the Company for one off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programs etc.
- e. Other contributions / expenses not recognized under the Act / Rules as amended or modified, from time to time.

## H. FUNDING AND ALLOCATION

Following is the mode of funding and allocation of area wise planned expenditure for the CSR activities.

1. The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of its Net Profits for the CSR Expenditure.
2. In the absence of Net Profits in any financial year, the Company endeavors to spend such feasible amount as it may decide.
3. The CSR Committee shall prepare its annual planned expenditure, for a financial year, for the CSR activities including the thrust areas and manner of implementation etc., and submit the same for approval of the Board.
4. The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.
5. The Company has an option to carry forward such un-spent money to next year by depositing it in a separate CSR Fund (Corpus) created by the company or to contribution to the corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities.

## I. MONITORING MECHANISM

The CSR Officer of the Company will coordinate / review the implementation of CSR activities at various areas and report to the Board through the CSR Committee. 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 shall place before the Board, a draft annual report on CSR activities as per the specified format, in a board meeting to be held in April / May of the following year for Board's review and finalization. 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 CSR Officer 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.

## J. REPORTING FORMAT

Periodic reporting on the CSR activities, execution modalities, implementation schedules etc., to the CSR Committee shall be in the following format which may be amended by the CSR Committee from time to time.

Sl. No.	Company Initiative	Schedule VII Activity	Execution details	Budget (Rs)	Amount Spent (Rs)	Remarks