

CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. Background

The concept of Corporate Social Responsibility (“CSR”) has gained prominence from all avenues. Organizations have realized that the Government alone will not be able to get success in its endeavour to uplift the downtrodden in society.

In the above context, Indraprastha Medical Corporation Limited (the “Company” or “IMCL”) would like to communicate its position as a member of the community and establish for both internal and external stakeholders, its philosophy, guiding principles, and areas of focus that it would, as an organization, seek to promote in the arena of CSR.

With the advent of the Companies Act, 2013 (hereinafter referred to as “CA 2013” including the rules made there under, modifications, amendments, or re-enactment thereof), the constitution of a CSR Committee of the Board and formulation of this CSR Policy became a mandatory requirement. Therefore, the Company has formulated a robust CSR Policy that encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare and sustainable development of society.

This Policy is designed to keep in view the current maturity of the organization and is expected to evolve with the growth of the organization, the dynamic needs of society, and the community in which the Company operates.

This Policy is forward-looking, and establishes the parameters and foundation upon which the CSR initiatives would be built:

- a) under the leadership and direction of the CSR Committee appointed by the Board of Directors of the Company;
- b) with active participation of its senior leadership and all employees; and
- c) in partnership under a spirit of "togetherness" with any such partners who share a common vision.

The Company believes in sustainable development, growing business in a socially and environmentally responsible way while meeting the legitimate interests of various stakeholders. IMCL’s CSR aims to be linked to sustainable development, and economic, social, and environmental requirements of society as a whole and future generations.

2. Definition

In this Policy, unless the context otherwise requires:

- a) “**Act**” means the Companies Act, 2013, as amended from time to time;
- b) “**Administrative overheads**” means the expenses incurred by the Company for ‘general management and administration’ of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or program.
- c) “**Board**” means the Board of Directors of the Company.

- d) **“Corporate Social Responsibility”** or **“CSR”** means the Corporate Social responsibility as defined in the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (**“CSR Rules”**) as amended from time to time and includes but is not limited to:
- i. Projects or programs relating to activities specified in Schedule VII to the Act;
 - ii. Projects or programs relating to the activities undertaken by the Board in pursuance to the recommendation of the CSR Committee as per the CSR Policy of the Company subject to the condition that the CSR Policy will cover subjects enumerated in Schedule VII to the Act.
- e) **“CSR Committee”** means a Corporate Social Responsibility Committee of the Board as constituted pursuant to section 135 of the Act;
- f) **“CSR Obligation”** means at least two percent. of the average net profits of the company made during the three immediately preceding financial years, or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years.
- g) **“CSR Policy”** means this policy of the Company which relates to the activities to be undertaken by the Company pursuant to Section 135 of the Act read with Schedule VII to the Act and matters incidental thereto including the expenditure thereon;
- h) **“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- i) **“CSR Team”** means a team of personnel appointed by the CSR Committee for the implementation of CSR activities;
- j) **“Independent Director”** means the director as defined in the Act, as amended from time to time.
- k) **“Net Profit”** means net profit as defined in the CSR Rules.
- l) **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

Words and expressions used and not defined in this Policy shall have the same meaning as contained in the Act read with CSR Rules made thereunder or any other cognate statute.

3. CSR Committee

3.1 In compliance with Section 135 of the Act, a CSR Committee has been constituted by the Board. This committee, along with the CSR team, shall be responsible for the decision-making with respect to the CSR policy of the Company.

- 3.2 The CSR Committee shall at all times have a minimum of 3 members out of which at least 1 (One) member shall be an Independent Director.
- 3.3 The CSR Committee shall meet at least twice a year to discuss matters related to the CSR.
- 3.4 The CSR Committee may invite any person as an invitee to its meeting wherever required.

4. CSR Vision & Mission Statement

4.1 **Vision:** Creating Wellness.

4.2 **Mission:** Create a meaningful and lasting impact on the communities by helping them transcend barriers of socioeconomic development:

- a) Promoting preventive healthcare, sanitation, making available safe drinking water, and preventing malnutrition in the community thereby acting as an instrumental part in the Nation's vision of creating a Swachh Bharat.
- b) Address shortcomings in nutrition, sanitation, and drinking water;
- c) Extend Primary & Preventive Healthcare Services to the community;
- d) Provide community support during natural disasters and emergencies; and
- e) Develop the skills of the youth through high-quality education and research in healthcare services.

5. CSR Objectives

- 5.1 The Company will undertake social projects in designated communities, in a focused manner, with maximum positive impact on the local communities and society in general.
- 5.2 In consultation with the local community, the Company will design and effectively implement projects in areas such as healthcare, community development, education, and skill development.
- 5.3 Make quality healthcare accessible and affordable to the underprivileged sector either directly or through designated intermediary vehicle(s).
- 5.4 Develop and implement education, water and sanitation, infrastructure development, and elderly care projects for sustainable socio-economic development in the designated communities.
- 5.5 Develop the skills of the youth by improving the infrastructure of the existing institutes, providing scholarships for deserving students, and promoting research in the healthcare services sector.

6. Focus Areas

The Company will focus primarily on the following programs:

6.1 Community Development:

The Company aims to create a meaningful and lasting impact on the communities proximate to underserved areas by helping them transcend the barriers of socio-economic development.

A Model of Integrated Healthcare Service will be established to improve the health of communities through:

- a) Sanitation and hygiene
- b) Preventing malnutrition in designated communities
- c) Promotion of healthy lifestyles
- d) Access to clean and safe drinking Water
- e) Developing infrastructure facilities for socio-economic development of the proximate areas
- f) Elderly care

The program will bridge the gap by uniting Governmental Efforts with Industrial and People Participation.

6.2 Healthcare:

The Company intends to touch a billion lives by reaching out to people from every walk of life to help them stay healthy.

The objective is to promote wellness and not treatment.

In line with this, under its CSR initiative, the Company aims to focus on promoting preventive healthcare in designated communities with the aim of making quality healthcare accessible & affordable to the underprivileged through a designated permitted vehicle as identified by the management of the Company. The Company will perform the following activities through a designated intermediary vehicle:

- a) Promote public healthcare activities including preventive and promotive healthcare through awareness campaigns on basic healthcare; and
- b) Conduct free screening and diagnostics camps as part of the promotion of preventive healthcare.

6.3 Education and Skills Development:

The Company will develop the skills of the youth through high-quality education by improving the infrastructure of the existing institutes and providing scholarships to meritorious students from underprivileged and economically weaker communities.

6.4 Promote Research in Healthcare:

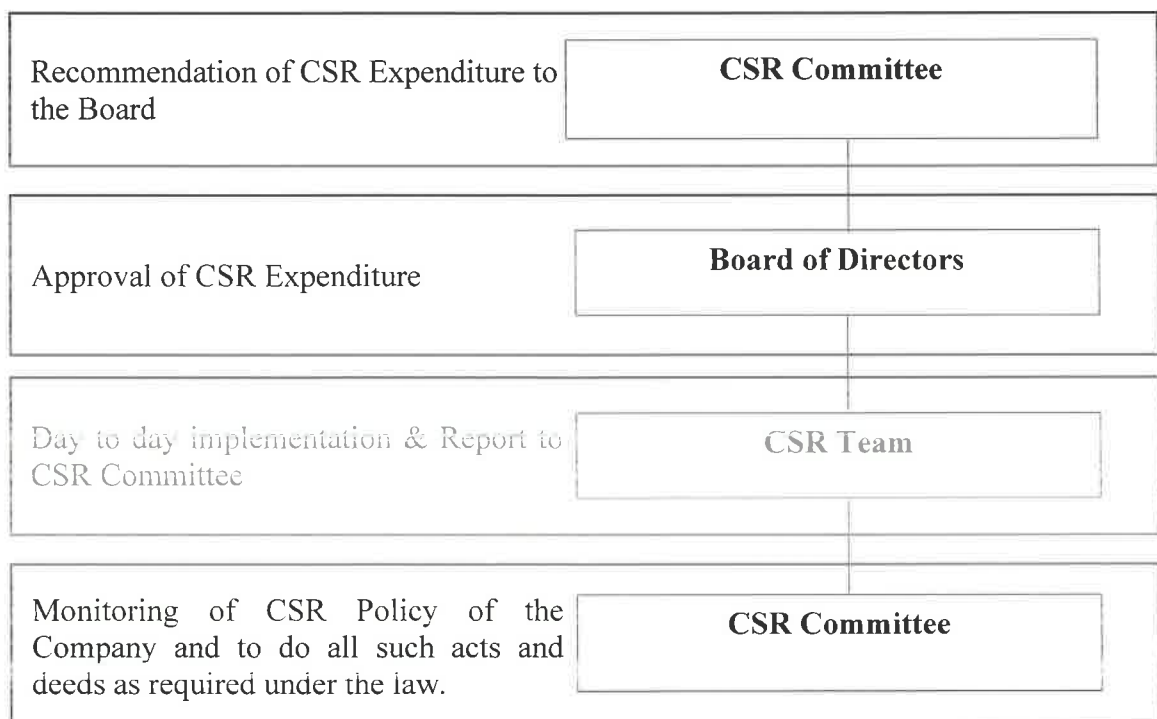
The Company will promote research and disseminate information on the latest technology and trends in the healthcare sector.

7. CSR Budget

- 7.1 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 immediately three preceding financial years towards CSR Activities;
- 7.2 Total expenditure in the CSR Budget shall be approved by the Board upon recommendation of the CSR Committee.
- 7.3 All the expenditures towards the programs are to be diligently documented;
- 7.4 In case at least 2% of the average net profit of the last 3 years is not spent in a financial year, reasons for the same are to be specified in the CSR report.
- 7.5 In case of any surplus arising out of the CSR Projects the same shall not form part of the business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and annual action plan of the Company or transfer such surplus amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

8. CSR Governance Structure

- 8.1 As depicted in the below flow chart, the CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities and the Board shall approve the same. The CSR Committee oversees and monitors the implementation process of CSR pursuant to the CSR Policy of the Company. Further, a CSR Team shall monitor and implement the day-to-day CSR process and its implementation and shall report to the CSR Committee on a regular basis.



9. Roles and responsibilities

9.1 Role and responsibilities of the Board of Directors:

The Board will be responsible for:

- a) Approval of the CSR Policy of the Company after taking into account the recommendations from the CSR Committee;
- b) Disclosing the contents of the Policy in its report prepared under section 134 of the Act;
- c) Place the CSR Policy on the Company's website in such a manner as prescribed under Section 135 of the Act read with the CSR Rules as amended from time to time;
- d) Ensuring that the social projects/ activities as mentioned in this Policy are undertaken by the Company;
- e) Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the CSR Policy;
- f) Ensuring that the Company gives preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.
- g) Ensuring that the Board specifies the reasons in its Board's report for not spending the earmarked amount in case the Company fails to spend such amount and, unless the unspent amount relates to any ongoing project referred to in Section 135(6) of the Act, transfer such unspent amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year;
- h) The board shall ensure that the Administrative Overheads shall not exceed five percent of the total CSR expenditure of the company for the financial year;
- i) Any CSR amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a Company in pursuance of its CSR Policy, shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII of the Act, within a period of thirty days from the date of completion of the third financial year;
- j) Where a Company spends an amount in excess of CSR Obligation, such excess amount may be set off against the requirement to spend under CSR Obligation up to the immediate succeeding three financial years subject to the conditions that:
 - the excess amount available for set-off shall not include the surplus arising out of the CSR activities, if any.
 - the Board shall pass a resolution to that effect.
 - Board shall furnish a report on CSR in Form CSR-2 to the Registrar of Companies for the preceding financial year as an addendum to Form AOC-4 XBRL;
 - The Board shall mandatorily disclose the composition of the CSR Committee and Projects approved by the Board on their website, for public access.

9.2 Responsibility of the CSR Committee:

- a) Formulate and recommend the CSR Policy to the Board for approval. The Committee shall indicate the projects to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Act.

- b) Monitor the Policy from time to time and recommend required changes to the Board.
- c) Recommend the amount of expenditure to be incurred on CSR projects.
- d) Institute a transparent monitoring mechanism for ensuring the implementation of the social projects undertaken by the Company.
- e) The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
 - the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programs as CSR Policy;
 - the modalities of utilization of funds and implementation schedules for the projects or programs;
 - monitoring and reporting mechanisms for the projects or programs; and
 - details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

9.3 Responsibility of the CSR Team

- a) Act as the central coordinating point in the process of undertaking CSR activities.
- b) Coordinate with the implementing departments for project design and implementation of CSR programs in compliance with section 135 of the Act read with the CSR Rules.
- c) Plan annual budgets for CSR projects in coordination 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 about the progress & implementation of CSR projects and the status of CSR expenditure on a regular basis;
- f) Documentation and reporting of all CSR activities of the Company to the CSR Committee and the Board, wherever required;
- g) Any other activities that may be required to effectively deliver the CSR programs of the Company.

10. Implementation of CSR activities

10.1 The CSR projects will be implemented in a time-bound manner with clear objectives, plans, targets, and robust monitoring and evaluation mechanisms.

10.2 The CSR projects shall be undertaken in India only.

10.3 The Company shall not undertake such activities which are in its normal course of business as CSR activities.

10.4 The Board may decide to undertake its CSR activities approved by the CSR Committee, through:

- (a) a company established under section 8 of the Act or a registered trust or a registered society, established by the Company, either singly or along with any other company, or

- (b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature:

However, if the Board of the Company decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified above Para (a) or Para (b) then such section 8 company or trust or society shall have an established track record of three years in undertaking similar programs or projects and the Company shall specify the projects or programs to be undertaken, the modalities of utilization of funds of such projects and programs and the monitoring and reporting mechanism.

- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) a company established under section 8 of the CA 2013, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and has an established track record of at least three years in undertaking similar activities.

10.5 However, if the Board of the Company decides to undertake its CSR activities through any of the entities specified above then the Company shall specify the projects or programs to be undertaken, the modalities of utilization of funds of such projects and programs, and the monitoring and reporting mechanism.

10.6 Every entity, covered under paragraph (d) above, that intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies.

- (a) The Company may engage international organizations for designing, monitoring, and evaluating the CSR projects or programs as per its CSR policy as well as for the capacity building of their own personnel for CSR.
- (b) The Company may use services of expert agencies, consultancy firms, etc. wherever required for carrying out baseline surveys, guidance on project design and implementation, third-party monitoring and evaluations, impact assessment surveys, etc.
- (c) The Company may collaborate or pool resources with other Companies to undertake CSR Activities.

11. Monitoring and Reporting Framework

11.1 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 Act read with the CSR Rules made thereunder.
- 11.2 The CSR Committee shall monitor progress on CSR projects and CSR spending and report to the Board half yearly.
- 11.3 The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.
- 11.4 If the Company has had an average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the CA 2013, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of the 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 placed before the Board and shall be annexed to the annual report on CSR. Further, the Company may book the expenditure related to impact assessment towards CSR for that financial year, subject to the conditions prescribed under the CA 2013 and CSR Rules.
- 11.5 The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- 11.6 In addition to the above reporting requirement, the following regulatory disclosure is also required to be made in compliance with the Act read with the rules made thereunder.
- (a) The composition of the CSR Committee shall be disclosed in the board's report of the Company;
 - (b) The board's report shall include an annual report on CSR activities in the format prescribed under the CSR Rules;
 - (c) If the Company fails to spend the prescribed amount, the Board shall, in its Board's report specify the reasons for not spending the amount.

12. Policy review and dissemination

The Board shall have the discretion to review this Policy at any point of time whenever they may deem fit and necessary to do the same. The Company shall upload this Policy on its website and a web link to the same will be provided in the annual report on CSR to be annexed with the Board's report of the Company.

13. Interpretation

Any ambiguities, interpretative issues, or difficulties will be resolved by the Board in line with the broad intent of this Policy read with the applicable provisions of the Act read with CSR Rules. In the event of any conflict between the provisions of this Policy and the Act or CSR Rules or any other statutory enactments or rules then the provisions of the Act, CSR Rules, or any other statutory

enactments shall prevail over to this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

For and on behalf of the Board



**Shivakumar Pattabhiraman
Managing Director**

Place: New Delhi

Date: 6th February, 2024