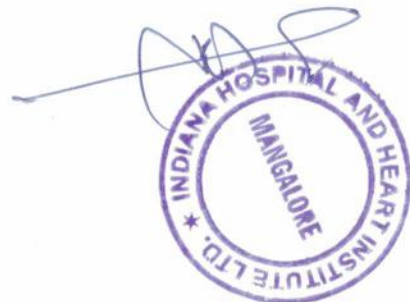


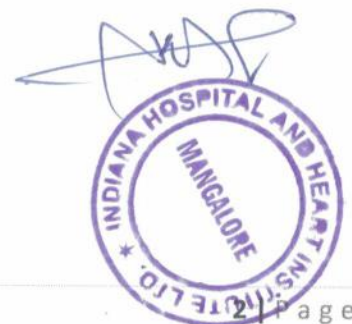
INDIANA HOSPITAL & HEART INSTITUTE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY
Authorised by: CSR Committee



CONTENTS

- 1. Introduction**
 - CSR Concept & Applicability
- 2. CSR Policy Statement**
 - CSR Objectives
 - CSR Focus areas
 - CSR Projects
- 3. Governance and Administration**
 - Governance
 - Administration
- 4. Planning**
 - Project based approach
 - Identification & Evaluation of projects
- 5. Implementation**
 - Process of Implementation
- 6. Monitoring & Reporting**
 - Periodic Monitoring & Reporting
 - Annual Review
- 7. General**



CSR POLICY DOCUMENT 2019-20

1. INTRODUCTION

Corporate social responsibility is recent and an evolving concept for the business organizations in the country. It addresses the well-being of all the stakeholders of the society at large and sustaining the environment for future generations. With the recent development of corporate social responsibility provisions under the realms of Companies Act 2013, Indian companies are now expected to discharge their responsibility by acting in socially responsible manner, there by taking care of people, planet and profit.

At Indiana Hospital & Heart Institute Ltd, CSR is ingrained in our DNA since we are modelled as a Social Enterprise rather than a typical Corporate. Indiana CSR policy is a set of basic principles and guidelines to direct focus and influences our actions and decision-making towards providing necessary care and assistance to the needy.

This policy is in accordance with the requirements set out in Section 135 of Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government in this behalf.



CSR POLICY DOCUMENT 2019-20

A. Short title and applicability:

The policy shall encompass the contribution made towards the social and economic development of the communities in which it operates and lays down the guidelines and mechanism for undertaking the CSR activities and other socially welfare programmes and is titled as “**Indiana CSR Policy**”

This policy shall apply to CSR initiatives and activities taken up by Indiana in line with the Act, Rules & CERP and CSR Voluntary Guidelines, 2009, for the benefit of different segments of the society and shall come into force, with effect from approval of Indiana Board.

B. Definitions:

“Act” means the Companies Act, 2013, published on 30.03.2013, by Ministry of Corporate Affairs.

“Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014, notified by Ministry of Corporate Affairs, on 27.02.2014.

“Corporate Social Responsibility (CSR)” means and includes but is not limited to:

- Projects or programs relating to activities specified in Schedule VII of the Act; or
- Projects or programs relating to activities undertaken by the Board of Directors of Indiana in pursuance of the recommendation of the CSR committee of the Board or projects or programs relating to activities under taken by CSR committee as per declared CSR policy of Indiana, subject to the condition that such policy shall cover subjects enumerated in Schedule VII of the Act.
- And the CSR activities carried out in pursuance of the guidance and approval of CSR committee meetings.

“The Company” means Indiana Hospital and heart Institute Limited having its registered office at Mahaveera circle, pumpwell, Kankanady post, Mangalore – 575 002.

“CSR Committee” means as constituted and re-constituted by the Board from time to time.



C. CSR Vision:

To actively contribute to the social and economic development of the communities in which we operate through our services, conduct and carry out the initiatives with environmental concern. By so doing build a better, sustainable way of life for the weaker sections of society.

This will entail undertaking a variety of programs for enhancing economic activity, Healthcare, education, empowerment of people, other activates in order to strengthen our nation and to upliftment of poor and needy people.

INDIANA aims to make a positive difference in the lives of the people by engaging in activities that eliminates or alleviates pain and suffering to the under privileged sections of the society.

2. CSR Scope:

As stated earlier the scope of CSR includes the activities to be carried out as per prescribed under Schedule VII under the Companies Act, 2013 coupled with expenditure on CSR as per the decision of the CSR committee.

A. Objectives of the Indiana CSR Policy:

- 1.1 The Company should respect the interest of and be responsive towards all stakeholders, including shareholders, employees, Project Affected People, customers, suppliers, Society at large, etc. and thereby creating value for them.
- 1.2 Depending upon their core competency and business interest, Company shall undertake activities for economic and social development of communities and geographical areas. These include: education, skill building for livelihood of people, health, cultural and social welfare etc., particularly targeting weaker sections of society.
- 1.3 To generate through its CSR initiatives, a community goodwill for Indiana and help re-enforce a positive and socially responsible image of the Company as a Corporate entity.
- 1.4 Strive for socio – economic development there by reducing inequality between rich and poor.
- 1.5 Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability.



CSR POLICY DOCUMENT 2019-20

1.6 Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.

B. CSR Functions in the Company:

- 2.1 Identification of CSR activities / projects / programmes in line with Section 135 and Schedule VII of the Act, Rules and the CSR Voluntary Guidelines, 2009
- 2.2 Compiling of cost, duration of the project and execution modalities, as identified by the executives of the Company.
- 2.3 Information about the CSR activities to be put up before the CSR Committee during the financial year to concur and recommend the amount of expenditure to be incurred on CSR activities computed under the Act .
- 2.4 The Company to carry out CSR activities out of the expenditure approved by the CSR committee and inform it to the board.
- 2.5 Execute the CSR activities/projects/programs, as per the approval of the CSR Committee.
- 2.6 Monitoring the progress of the CSR activities and providing quarterly progress reports to the CSR Committee each time it meets.

C. CSR FOCUS AREAS

3.1 Main areas:

- **Healthcare**

Being a pioneer in its own field, Indiana takes keen interest in the field of healthcare for providing relief from pain and suffering of the people. These initiatives are mainly taken up in rural / semi-rural areas or places where there is lack of availability of adequate healthcare services. For carrying out such initiatives state-of-the-art technology is being used to provide the best healthcare services with minimal resource deployment. Special initiatives are also taken up to educate people for early detection and preventive care.



CSR POLICY DOCUMENT 2019-20

- **Enhancing livelihood**

Carrying out various educational and healthcare training programs in rural/semi-rural catering to dual objectives of upliftment of the society and providing livelihood to rural youth by training for pharmacy, paramedics, & telemedicine operations and thereby making them economically independent and providing dignity in life.

- **Education**

Education is empowering oneself to survive in society. Indiana believes that, it is important to develop a cachet of qualified medical graduates for the future, which will help India administer its healthcare system more effectively for the common man.

3.2 Other areas

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive healthcare and sanitation including the contribution to Swach Bharat Kosh set up by the Central Govt. for the promotion of 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 programmers.
- 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 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.
- 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.



CSR POLICY DOCUMENT 2019-20

- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio- economic development and relief, and funds for the welfare of the Scheduled Castes, 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
- Other Charitable projects which is discussed and approved by the CSR committee.

D. Role of the Board:

- 4.1 Approve the CSR policy as recommended by the CSR Committee with or without modifications.
- 4.2 Ensuring the activities being done are as per Schedule VII of the Companies Act, 2013
- 4.3 Ensuring that at least 2% of the average net profits of the Company made during the three immediately preceding financial years is being spent, in pursuance of its CSR Policy
- 4.4 Carry forward of un-spent amount (only in exceptional circumstances) to the next financial year with reasons for non-spending shall be reported in the Board Report.

E. Financial Implications and CSR Budget

- 5.1 Budgetary allocation for the CSR activities in every financial year shall be at least 2% of the average net profit before tax of the company made during the three immediately preceding financial years. The "average net profits" shall be calculated in accordance with the provisions of section 198 of the Act or as may be revised from time to time by the Act.



CSR POLICY DOCUMENT 2019-20

- 5.2 CSR Committee shall recommend the CSR budget, based on the proposal put up by the Company. In the proposal, details such as approved CSR budget for the previous year, actual expenditure on CSR in the previous year and the resultant computation for the present year shall be given.
- 5.3 Years of non-applicability of the criteria such as threshold limits of net-worth, turnover or net profit, mentioned in the Section 135(1) of the Act is required to exit CSR compliance requirements. However the Company would be required to take up CSR activities, if the Company makes profits in any particular year.
- 5.4 The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.

The budget allocated as above, should be spent within the financial year. If due to some reason, the budget of a year remains unutilized, the unspent amount shall be permitted to carry forward to the next financial year, provided the reasons for not utilizing the entire CSR amount in a particular year and the plan(s) for utilizing the unspent amount in the next year is approved by the Board and disclosed in its report made under clause (o) of sub section (3) of section 134 of the Act. Format of the report enclosed as an Annexure II.

F. Identification of CSR Activities:

- 6.1 CSR Committee shall identify the CSR projects / programs for the year, drawn from the above paras, which however when liberally interpreted, shall be broadly limited to the activities allowed under Schedule VII of the Act. However the list of specific activities to be taken up in each Financial Year will be put up each year, while seeking budgetary approvals.
- 6.2 CSR Committee while identifying the CSR activities shall consider & give preference to the suggestion/demands of the key stake holders, especially those who are directly impacted by the company's operations / activities. As per the Act, the company shall give preference to the 'local area' in selecting the location of its CSR activities and the Company shall define the 'local area' as Dakshina Kannada (D.K), is considered as 'local area' for the purpose of CSR activities. The committee may also approve to do activities outside the 'local area' considering the circumstances and benefits to the public at large.

G. Guidelines for Identifying CSR Activities: Identification of stakeholders (society) and intended beneficiaries of the project. While identifying the project, CSR Section will check the following:



CSR POLICY DOCUMENT 2019-20

- 7.1 The relevance of the project, i.e. whether it is integrated with the social and environment concerns, related to the nature and impact of the Company's business and whether it will deliver/contribute to sustainable development of the Company.
 - 7.2 Adequacy of the proposal for meeting the imminent need of the beneficiary.
 - 7.3 Whether the activities are philanthropic activities, since mere donations to philanthropic/charity or other organizations would not come under the category of CSR activities.
 - 7.4 Ensure the activities proposed are not related to the business of the Company or its employees.
 - 7.5 Monitoring progress and completion of activities /projects up to completion of total commitment from the Company.
 - 7.6 Every individual Project will have details of execution including timelines.
- H. Procedure for seeking approval of each CSR activity:**

Sl. No.	CSR value	Approving Authority
1	Above Rs.50 Lakhs	Board with recommendation of CSR Committee
2	Between Rs.2 lakhs to Rs.50 lakhs	Managing Director and Chairman of CSR committee
3	Upto Rs.2 Lakhs	Chairman of CSR committee



CSR POLICY DOCUMENT 2019-20

3. GOVERNANCE & ADMINISTRATION

A. **GOVERNANCE** : Board of Directors shall be responsible for

- Appointment of CSR Committee in accordance with the CSR provisions laid down under section 135 of the Companies Act,2013.
- Ensuring that the CSR activities included in CSR Policy are in conformity to the activities mentioned in Schedule VII of the Companies Act2013.
- Approving the CSR policy as recommended by the CSR Committee.
- Ensuring that the Company spends the approved budget in each financial year to comply with Section 135 of Companies Act 2013 Rules notified.
- Ensuring that funds committed by the Company for CSR activities are effectively utilized and monitored.
- CSR Annual Report stating the resultant social impact.

B. **ADMINISTRATION** : CSR Committeeshall be responsible for

- Formulating and recommending the CSR Policy in compliance with Section 135 of the Companies Act 2013 for approval of theBoard.
- Recommending CSR programmes and budgetallocation.
- Instituting a transparent monitoring mechanism for implementation of the CSR activities and expenditure of funds.
- Preparation of CSR AnnualReport.

To carry out aforesaid activities the Committee is authorised to take professional support from individuals or organisations having expertise in related fields.

CSR Team shall be responsible for:

- Planning and effective delivery of CSR initiatives.
- Financial management and transparency in project funds.
- Set up structured evaluation mechanism for CSR initiatives.
- Periodic monitoring and reporting to the CSR Committee.



4. PLANNING

4.1 PROJECT BASED APPROACH

INDIANA follows a project based approach for carrying out its CSR initiatives instead of one off events and activities.

4.2 IDENTIFICATION & EVALUATION OF PROJECTS

Key factors for identifying & evaluating Projects:

- Project Objectives
- CSR Focus areas in compliance of Section 135 of Companies Act, 2013
- Target beneficiaries
- Scalability and Sustainability of the project
- Qualitative and Quantitative outcome.

5. IMPLEMENTATION

PROCESS OF IMPLEMENTATION

The CSR projects mentioned in Clause 2.3 shall be taken up by INDIANA and on need basis by joining hands with institutions or organisations involved in the activities of similar nature. For execution of different projects INDIANA shall broadly follow the below mentioned activities:

- Identifying suitable projects which are in consonance with CSR policy statement and focus area of the Company.
- Evaluating the feasibility, scalability and sustainability of the prospective programmes and projects
- Collaborating with:
 - Government
 - Other Corporates
 - Professional Consultancy Organizations
- Entering into a legal Memorandum of Understanding (MoU) with each of the executing / implementing partner.
- Structuring the programmes and projects by identifying resources required both in terms of people and infrastructure.
- Executing the programmes and projects as per the agreed structure.

6. MONITORING & REVIEW MECHANISM

PERIODIC MONITORING

- Appropriate documentation of the CSR Policy, annual CSR activities and expenditure entailed will be undertaken on a regular basis.
- CSR team at the Corporate Office will conduct periodic field visits and impact studies of various CSR projects.

ANNUAL REVIEW

CSR Team will prepare and present an annual report of all CSR programmers to the CSR Committee on or before a date prescribed by the Committee.

7. GENERAL

- The surplus, if any, arising out of the CSR projects or programmers shall not form part of the business profits of the Company and will be ploughed back into the CSR activities.
- If Company fails to spend 2% of avg. net profits for last 3 FY's or any part thereof, company shall provide the reasons for not spending the amount in its Board Report.
- 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.
- Any all provisions of the CSR Policy would be subject to revision / amendment as may be issued from Government from time to time.
- INDIANA reserves the right to modify, cancel, and add any/all provisions in the CSR Policy.

