

QUALITY CARE INDIA LIMITED

Corporate Social Responsibility (CSR) Policy

Adopted by the Board on 13th March 2015

Revised by the Board on 11th August 2016

1. INTRODUCTION:

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

Quality Care India Limited is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 read with relevant Rules.

Quality Care India Limited (QCIL) believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. QCIL commits itself to contribute to the society in ways possible for the organization and has set up the CARE Foundation, its core CSR team, as a means for fulfilling this commitment.

2. AIMS & OBJECTIVES

- i. To develop a long-term vision and strategy for QCIL's CSR objectives.
- ii. Establish relevance of potential CSR activities to QCIL's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
- iii. QCIL shall promote projects that are :
 - (a) Sustainable and create a long term change;
 - (b) Have specific and measurable goals in alignment with QCIL philosophy;
 - (c) Address the most deserving cause or beneficiaries.
- iv. To establish process and mechanism for the implementation and monitoring of the CSR activities for QCIL

3. COMMITTEE COMPOSITION

The CSR Committee of the Board shall be composed of at least three (3) Directors in accordance to the applicable statutory requirements. The Board has the authority to reconstitute the Committee from time to time

4. COMMITTEE MEETINGS

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities.

5. DUTIES & RESPONSIBILITIES OF CSR COMMITTEE

- i. Review of the CSR activities to be undertaken by QCIL. The CSR Committee shall be guided by the list of activities specified in Schedule VII to the Companies Act, 2013 and appended to this Policy as Appendix - 1. Appendix 1 may be revised in line with any amendments/inclusions made to Schedule VII of the Companies Act, 2014.
- ii. Formulate and recommend to the Board the CSR activities/programs to be undertaken by QCIL.
- iii. Recommend the CSR Expenditure to be incurred on the CSR activities/programs. Institute a transparent mechanism for implementation of the CSR projects and activities. Effectively monitor the execution of the CSR activities.
- iv. Prepare an annual report of the CSR activities undertaken for QCIL and submit such report to the Board. The CSR Committee shall be apprised by the Chairman of CARE foundation.
- v. Approve the CSR Policy and the CSR Expenditure as per the applicable provisions of the Companies Act, 2013
- vi. Ensure the CSR spending every financial year of at least 2% of average net profits made during immediately preceding 3 financial years, in pursuance with the Policy
- vii. Ensure disclosure of the contents of the CSR Policy on the QCIL website.

- viii. Directors' Report onwards to include:
- a. Contents of the CSR Policy and Composition of the CSR committee;
 - b. An annual report on the CSR in the prescribed format as per Appendix- 3;
 - c. Reasons for failure (if any) to spend required amount on CSR activities.

QCIL can undertake the CSR activities through CARE Foundation, a society registered under the Andhra Pradesh (Telangana Areas) Public Societies Registration act, 1350(Fasli), (Act 1 of 1350F), Vide Registration No. 3387 of 1996 and having its registered office at, 6-3-248/2, Road No.1, Banjara Hills, Hyderabad- 500 034. CARE Foundation is a registered non-profit society with the mandate of making quality health care affordable and accessible to all through appropriate use of Technology. The Foundation has been established by a group of medical scientists and technologists with the stated mission of making advanced comprehensive healthcare affordable and accessible to all

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7. CSR EXPENDITURE

- i. In every financial year, QCIL shall spend a minimum of 2% of its average Net Profits in the immediately preceding three (3) financial years or such other amount as may computed in accordance with the applicable provisions of the Companies Act 2013, as amended from time to time.. Average Net profits shall mean the net profits of the Company as per the Profit & Loss Statement prepared in accordance with the applicable provisions of the Companies Act, 2013 and Rule 2(f) of the Companies(Corporate Social Responsibility) Rules, 2014.
- ii. CSR Expenditure shall mean all expenditure incurred in respect of specific projects/programs relating to the approved CSR activities.
- iii. CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII.
- iv. CSR Expenditure shall not include Projects or programs or activities undertaken outside India.

- v. The surplus arising out of the CSR activities or projects shall not form part of the business profit of QCIL.

8. CSR ACTIVITIES - PROJECTS

- i. CARE Foundation has been fulfilling the company's CSR commitment, for the past several years. CARE Foundation has focused on projects as detailed in Appendix - 2. The Foundation implements its Mission of making advanced technology based care affordable and accessible to common man under a three dimensional programme:
 - a) conducting research & imparting specialized education,
 - b) developing cost effective medical products, and
 - c) providing healthcare to people from the economically weaker sections of the Society and those living in rural areas.
- ii. The CSR activities shall be undertaken in locations within India. QCIL shall give preference to the local areas and the areas around which QCIL operates while considering the activities to be undertaken and spending the amount earmarked for CSR activities. However, QCIL has a multi-state presence and hence may be guided by the requirements of the specific CSR activity/program in determining the locations within India.

9. IMPLEMENTING CSR ACTIVITIES

- i. The day to day implementation and execution of the CSR activities/projects shall be carried out through the CARE Foundation, headed by its Chairman.
- ii. QCIL may undertake the CSR activities directly and also through various implementing agencies such as, NGO's, non-profit organizations, etc. Such implementing agencies shall have an established track record as prescribed under the law.
- iii. Some of the initiatives taken up by CARE foundation may facilitate the involvement of QCIL employees as CARE Foundation volunteers in ongoing projects and events, giving them an

opportunity to engage in socially meaningful activities, thus, enabling them to realize their full potential and role as socially responsible citizens (Employee Volunteer Programs).

- iv. The initiatives undertaken may be communicated to the employees through specific awareness campaigns, so as to enable maximum participation.
- v. QCIL may also collaborate or pool resources with other companies to undertake CSR activities in such a manner that each companies are in a position to report separately on such CSR projects
- vi. The following activities do not qualify as CSR Activities under the Companies Act, 2013:
 - a) Projects or activities not falling within Schedule VII (Appendix 1);
 - b) Activities undertaken in pursuance of normal course of business;
 - c) Projects or programs or activities that benefit only the employees of QCIL and their families
 - d) Direct or indirect contribution to any political party.

10. CSR REPORTING

- i. The Board in its Annual Report shall include the details of the CSR activities undertaken in the Financial Year. The particulars to be stated in the report shall be in the format prescribed in Appendix - 3.
- ii. The CSR Committee shall provide a responsibility statement on the implementation and monitoring of the CSR Policy and that it is in compliance with CSR objectives of QCIL, which statement shall form part of the Boards' Report.

11. WEBSITE DISPLAY

QCIL shall display on its website ([www. carehospitals.com](http://www.carehospitals.com)) the contents of its CSR Policy and other information as may be required to be displayed.

12. REVIEW AND AUDIT

- i. The CSR committee shall be apprised on the implementation of the CSR activities and the progress shall be monitored on a quarterly basis.
- ii. QCIL shall through its internal controls, monitoring and evaluation systems implement, assess, document and report the impact of its CSR activities/projects.
- iii. Records relating to the CSR activities and the CSR Expenditure shall be meticulously maintained. The Records shall be submitted for reporting and audit.
- iv. The financial audits of the implementing agencies shall also be done through periodic audits.

13. AMENDMENTS

The Policy may be reviewed and amended from time to time.

APPENDIX - 1

CSR Activities Listed in Schedule VII of the Companies Act, 2013

CSR shall focus on social, economic and environmental impact rather than mere output and outcome. Activities which are ad hoc and philanthropic in nature shall be avoided. Various activities that can be undertaken in general under CSR are outlined below:

1. eradicating extreme hunger and poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;
2. promotion of education; including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects ;
3. promoting gender equality and 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;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining of quality of soil, air and water;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, and paraolympic sports and Olympic sports;
8. 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 welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and

10. rural development projects.

APPENDIX - 2

CARE Foundation Existing Project

Following projects are the existing and current CSR activities being handled through the CARE Foundation:

The CARE Rural Health Mission (CRHM) aims at evolving a safe, effective, efficient, scalable, and sustainable primary healthcare delivery model in villages, by leveraging innovations in technology, adopting a financial healthcare delivery model and micro-insurance systems. The CRHM projects record, store and transmit data from multiple Village Clinics, through a trained health worker known as a Village Health Champion (VHC); the telemedicine links enable specialist and referral consultations.

APPENDIX - 3

Format for the 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

1.	2	3	4	5	6	7	8
Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/other s 2. Specify the state /district (Name of the District/s, State/s	Amount outlay (budget) project/ programm e wise	Amount spent on the project/ programm e Subheads: 1.Direct expenditur e on project, 2.Overhea	Cumulativ e spend upto the reporting period.	Amount spent: Direct/thr ough implement ing agency

			where project/pr ogramme was undertake n		ds:		
1							
2							
3							
TOTAL							

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.

Sd/- (Chief Executive Officer or Managing Director or Director)	Sd/- (Chairman CSR Committee)	Sd/- (Person specified under clause (d) of sub-section (1) of section 380 of the Act) (wherever applicable)
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