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MANIPAL TECHNOLOGIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

SHORT TITLE & DEFINITIONS

1. The “Act” means the Companies Act, 2013.
2. “Company” means Manipal Technologies Limited (MTL).
3. “Corporate Social Responsibility” (CSR) means and includes but is not limited to :-
 - i. Projects or programs relating to activities specified in Schedule VII to the Act; or
 - ii. Projects or programs relating to activities undertaken by the Board of Directors of the Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy shall cover subjects enumerated in Schedule VII of the Act.
4. The “CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
5. “CSR Policy” relates to the Activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of the Company.

This Policy, which encompasses Company’s philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking projects and programs for socio-economic development and empowerment of the community at large, is titled as the “MTL CSR Policy”. This Policy shall apply to all CSR initiatives and activities taken up at various sites, work-centres and locations of MTL, for the development and empowerment of deprived and underprivileged sections of the society.

CSR is the process by which an Organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrate its commitment in this regard by adoption of appropriate business processes and strategies. Thus, CSR is not charity or mere donations.

CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company’s operations and growth.

CSR VISION STATEMENT

"To establish itself and fulfil its role as a socially responsible corporate entity. To act in a socially responsible manner to contribute to the socioeconomic development of

the communities we operate in, by building stronger, developed, sustainable communities and raise the quality of life of the people of the community."

OBJECTIVE

The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for MTL to undertake and fulfil its corporate social responsibility. The Policy shall function as a built-in, self-regulating mechanism whereby the business shall monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms.

CSR COMMITTEE

The Corporate Social Responsibility Committee (CSR Committee) shall consist of three Directors amongst which one shall be an Independent Director. The CSR Committee may invite other experts/ invitees as per its requirements.

The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of MTL

The CSR Committee shall

- a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by MTL as specified in but not limited to Schedule VII of the Companies Act 2013 (the Act) and all amendments thereof;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- (c) Monitor the CSR activities of MTL from time to time;
- (d) Any other matter as may be considered expedient in furtherance of and to comply with the Act and CSR Policy of MTL.

LOCATION OF CSR ACTIVITIES

The CSR Committee shall decide on the locations for CSR activities. However, preference shall be given to areas around which MTL operates.

CSR ACTIVITIES

MTL shall identify any one or more of the following areas for its CSR activities

- Eradication of hunger, poverty and malnutrition, promotion of preventive health care and sanitation and making available safe drinking water;
- Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promotion of 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, agroforestry, 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;
- 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 for socio-economic development and relief and welfare of the Scheduled Castes, 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.
- Slum area development.
- Such other activities as the Board may consider to be appropriate
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 21/2014 dated 18.6.2014, one-off events such as marathons / awards / charitable contributions / advertisements / sponsorship of TV programs / events involving celebrities, specifically for entertainment purposes, etc. would not qualify as CSR Activities;

IMPLEMENTATION

The Company through its personnel or through TMG Sunidhi Foundation Trust, and/or other Trusts, Foundations and Section 8 Companies that may be established by the Company from time to time shall implement and undertake CSR activities as per the provisions of the Companies Act, 2013. In such cases, the Company shall specify the CSR Programmes which may be undertaken by those Trusts, Foundations and Section 8 Companies in accordance with their objects and administrative and accounting processes shall be laid down in the respective Trust Deeds/ Memorandum and Articles of Association. The Company shall also carry out its CSR activities through any other registered trusts or registered societies or through external implementing agencies such as NGOs, Foundations, Groups, Agencies, Organisations.

CSR EXPENDITURE

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, MTL will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget as prescribed under Section 135 of the Act.

CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.

Any unspent/unutilised CSR allocation of a particular year, will not be carried

forward to the following year, that is, the CSE Budget will be lapsable in nature.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity with the CSR Policy.

REPORTING

- I. Contents of the CSR Policy shall be disclosed in Board's report and same shall be displayed in the Company's website, in the prescribed format.
- II. The Board's report shall include the following:
 - a. A brief outline of the CSR Policy
 - b. A reference to the web link to the CSR Policy and projects.
 - c. Composition of the CSR Committee
 - d. Average net profit for last three financial years
 - e. Prescribed CSR Expenditure
 - f. Details of CSR expenditure incurred during the financial year in the prescribed format
 - g. In case the company fails to spend the 2% of 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.
 - h. 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.

POWERS FOR APPROVAL

The Board of Directors on the recommendations of CSR Committee will approve the CSR Policy for the Company and the same shall be displayed on the Company's website.

MONITORING AND FEEDBACK

To ensure effective implementation of the CSR Policy, a monitoring mechanism shall be put in place by the MTL Board. The progress of CSR programmes shall be reported to the Board on a periodic basis.

Monitoring shall be taken care by CSR Committee or by any agency appointed for the purpose by the Committee/Board. CSR initiatives of the Company shall be reported in the Annual Report & the Board's Report in compliance with Section 135 and rules made thereunder.

MISCELLANEOUS

In case of any doubt with regard to any provision of the Policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy shall be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the competent

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authority /Government, from time to time.

MTL reserves the right to modify, cancel, add, or amend any of the provisions of this policy in accordance to the prevailing statute.