



NARAYANA HRUDAYALAYA LIMITED



CORPORATE SOCIAL RESPONSIBILITY POLICY

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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, thereby taking care of people, planet and profit.

At Narayana Hrudayalaya Ltd. (NH), CSR is ingrained in our DNA since we are modelled as a Social Enterprise rather than a typical Corporate. NH 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.



2. NH CSR POLICY STATEMENT

NH 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.

2.1 CSR OBJECTIVES

NH CSR policy intends for:

- Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability.
- Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.
- Strive for socio-economic development thereby reducing inequality between rich and poor.

2.2 CSR FOCUS AREAS

- **Healthcare**

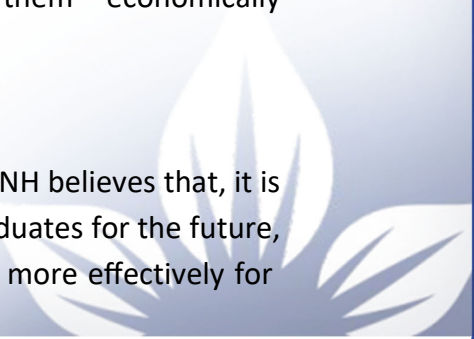
Being a pioneer in its own field, NH takes keen interest in the field of healthcare for providing relief from pain and suffering of the people. These initiatives are mainly taken up in rural/semi-rural areas or places where there is lack of availability of adequate healthcare services. For carrying out 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.

- **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. NH 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

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the common man. Therefore, one of the thrust areas of NH CSR policy is promoting education among bright, young and talented children from rural India.



3. GUIDING PRINCIPLES ON GOVERNANCE & ADMINISTRATION

3.1 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 Act, 2013.
- Approving the CSR Policy as recommended by the CSR Committee.
- Ensuring that the Company spends in each financial year at least such amount as prescribed under Section 135 of Companies Act, 2013 and the Rules framed thereunder.
- Ensuring that funds committed by the Company for CSR activities are effectively utilized and monitored.
- In implementing the CSR activities give preference to the local area and areas around the Hospitals operated by the Company.
- In case of ongoing project (multi year project not exceeding three years excluding the financial year in which it was started), the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

3.2 ADMINISTRATION

CSR Committee shall be responsible for:

- Formulating and recommending the CSR Policy in compliance with Section 135 of the Companies Act, 2013 for approval of the Board.
- Recommending CSR programmes and amount of expenditure to be incurred on the CSR activities.
- Instituting a transparent monitoring mechanism for implementation of the CSR activities and expenditure of funds.
- To carry out aforesaid activities the Committee is authorized to take professional support from individuals or organizations 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.
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4. GUIDING PRINCIPLES OF PLANNING AND SELECTION OF CSR ACTIVITIES

4.1 PROJECT BASED APPROACH

NH 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. GUIDING PRINCIPLES OF IMPLEMENTATION

PROCESS OF IMPLEMENTATION

The CSR projects shall be taken up by NH and on need basis by joining hands with partners. For execution of different projects NH 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 Memorandum of Understanding (MoU) with each of the executing/implementing partner who are registered as an implementing agency under the Companies Act, 2013.
- The Company may also execute CSR activities in collaboration with other Companies registered under the Companies Act, 2013.
- 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. GUIDING PRINCIPLES OF MONITORING & REVIEW MECHANISM

6.1 PERIODIC MONITORING

- Appropriate documentation of the CSR Policy, annual CSR activities and expenditure entailed shall be undertaken on a regular basis.
- CSR team at the Corporate Office will conduct periodic field visits and impact studies of various CSR projects.
- Impact assessment to be carried out on meeting the criteria for the same in terms of the provisions of the Companies Act, 2013.

6.2 ANNUAL REVIEW

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



7. GENERAL

- CSR spending in any financial year in excess of requirement under law may be set off upto immediate succeeding three financial years with the approval of the Board.
- If Company fails to spend 2% of average net profits for last three financial years or any part thereof, company shall provide the reasons for not spending the amount in its Board Report.
- CFO of the Company shall certify that the amount disbursed has been utilized for the purposes of CSR activities and in the manner as approved by the Board.
- 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 by Government from time to time.
- NH reserves the right to modify, cancel, and add any/all provisions in the CSR Policy.

