



SHILPA MEDICARE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR POLICY)

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1. PREAMBLE

A. Short title & Applicability

This policy, which encompasses the company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the welfare & sustainable development of the community at large, is titled as the 'SML CSR Policy'.

SML CSR Policy aims to strictly adhere to the guidelines stipulated under Section 135 of the Companies Act 2013 and rules made thereunder and the scope of activities, functioning of the policy and adhering to all such mandates as required under the Act. (Companies Act 2013, rules and modifications/amendments made from time to time).

This policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of the society.

B. CSR Vision Statement & Objectives

Vision Statement

Main objective of the Company's CSR policy is giving back to the society from which it draws its resources by extending helping hand to the needy and the underprivileged.

Shilpa Medicare Limited is committed to good corporate citizenship not only by complying with relevant laws and regulations, but also by making constant efforts to build and nurture the relationship with members of the society and contribute to improvement of the quality of life of people in the communities in which the Company operates.

Corporate Social Responsibility is the commitment of business to contribute for sustainable economic development by working with the employees, local community and society at large to improve their lives in ways that are good for business and development. It is the contribution of the corporate sector for philanthropic causes like education, health, water, environment and community welfare.

In alignment with vision of the company, through its CSR initiatives, will continue to enhance value creation in the society, through its services, conduct & initiatives, so as to promote sustained growth of the society, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

Objectives

The objectives of the SML CSR Policy are to:

- To ensure increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.



- To take up programs that benefit the communities over a period, in enhancing the quality of life & economic well-being of the local populace. The Company and the employees are to actively involve and participate in social welfare projects by voluntarily taking time off from work.

C. Business principles:

Our business principles prescribe that everyone at Shilpa Medicare Limited (SML) needs to follow the operational standards. It also supports our approach to governance, corporate social responsibility and continuous improvement.

2. SCOPE OF THE ACTIVITIES

The "CSR Policy" relates to the activities to be undertaken by the company as specified in Schedule VII to the Act, Rules made and subject to such modifications and amendments from time to time.

Primarily the Company intends to focus on below listed areas However, the list is not exhaustive and the Company may take up any other activity, which is eligible under the provisions of law: -

Sl. No	Name of the Program	Item from the list of activities in Schedule VII to the Companies Act, 2013
1	Healthcare: eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] making available safe drinking water, rural development projects & slum area development	Clause (i) : Promoting health care including preventive healthcare, sanitation and making available safe drinking water
2	Education: promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government	Clause (ii) Promoting education

3	Environment & Water Conservation: 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	Clause (iv) 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
4	Sports: training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	Clause (vii) Promoting sports
5	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	Clause (vii) prime minister's national relief fund
6	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;	Clause (v) Protection of national heritage
7	promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	Clause (iii) Promoting gender equality
8	Measures for the benefit of armed forces veterans, war widows and their dependents	Clause (vi) Measures for the benefit of armed forces veterans.

The above list is illustrative and not exhaustive.



3. RESOURCES

Funding & Allocation

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, SML shall allocate 2% of its average Net Profits made during the 3 immediately preceding financial years calculated as per Sec-198 of the Companies Act, 2013, as its Annual CSR Budget in each Financial Year.

From the annual CSR Budget allocation, a provision will be made towards the expenditure to be incurred on identified Areas, for undertaking CSR activities on a year on year basis.

Allocation of the Annual Budget for CSR activities in any given year shall be as per the provisions of the Companies Act 2013 and rules made thereof as amended from time to time. Any unspent/unutilized CSR allocation of a particular year, will be carried forward to the next year, i.e., the CSR budget will be non-lapsable in nature.

4. IMPLEMENTATION

CSR programs shall be undertaken through Company's Personnel or through external implementing agencies or through any Trust and the Company may also partner with credible organizations – individually or as consortium- to design, fund, implement and review projects.

The CSR activities will be implemented under the guidance and support of the CSR Committee and the Board. The CSR Committee ensures that the CSR policy is embedded across the Company's operations and the CSR initiatives are in line with this policy.

5. MONITORING AND REPORTING

The fundamental goal is to see that all the programs and activities are positive and running successfully. The monitoring mechanisms include visits, meetings and progress/status reporting by the projects team's /Company's personnel or such other agencies as may be entrusted with.

The CSR Committee has the power to seek progress/status report, depute an official from the Company or outside agencies to inspect activities and ensure timely information from implementing agencies to whom/which the funds have been granted.

6. CONSTITUTION OF CSR COMMITTEE

"CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Companies Act, 2013. The Committee is constituted at the level of the Board of Directors of the Company under the Chairmanship of an Independent Director and has two other members of the Board.



The Scope, terms of reference and Powers, etc., of the Committee will be as specified in Sec.135 of the Companies Act, 2013 and the Company Secretary shall act as its Secretary.

7. MEETINGS OF THE COMMITTEE

The Committee shall meet at least once in a year

8. INFORMATION DISSEMINATION:

CSR initiatives of the Company shall be reported in the Annual Report of the Company and this policy shall be displayed on website of the Company.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Government, from time to time.

The Board will review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.