



VLCC HEALTH CARE LIMITED

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Corporate Social Responsibility (CSR) Policy

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1. VLCC's CSR Philosophy:

VLCC is guided by its founder Mrs. Vandana Luthra, who aims to make all individuals, especially women, self-reliant and empowered.

Social and environmental responsibility has always been at the forefront of VLCC's operating philosophy. As a result, the company's Corporate Social Responsibility (CSR) initiatives imbibe the deep symbolic relationship that it enjoys with the communities it is engaged with. As a responsible corporate entity, we try to contribute towards social and environmental progress on a regular basis. We believe that in order to succeed, an organization must maintain the highest standard of corporate behavior towards its employees, consumers and societies in which it operates. With this purpose, our CSR underlines the objective of bringing about a difference and adding value in our stakeholders' live. For us the community/society at large is not just another stakeholder in the business but is, in fact, the very purpose of our existence.

VLCC is actively engaged in social causes leading to empowerment of socially disadvantaged groups. To this end, we have partnered with various State Governments to impart vocational training in the beauty vertical to under-privileged students to help them become self-reliant.

The policy is formulated in compliance with the provisions of Section 135 of new Companies Act, 2013.

2. Formation of CSR Committee:

The Company will have a Board level sub-committee herein referred to as 'CSR Committee' consisting of at least three directors with at-least one Independent Director, in terms of the provisions of Section 135 of the Companies Act, 2013 to perform, inter alia, the following functions:

- 3.1 Formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013.
- 3.2 Recommend the CSR budget/expenditure to be incurred on the activities referred to in clause (3.1) above.
- 3.3 Monitor and review the implementation of CSR activities.
- 3.4 Approve projects/programs/activities of any value which are outside VLCC's focus areas but within the widened scope of prescribed Schedule VII of the Act.

3. Annual CSR Budget:

In alignment with the Companies Act, 2013, the Company shall earmark as its CSR Budget, at least 2 per cent of the average of net profits of the company made during the three immediately preceding financial years.

The CSR budget will be allocated to such programs or projects as may be decided by the CSR Committee from time to time, provided not more than 5 per cent of the CSR budget will be spent on capacity building (as defined below in clause 7) .



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4. CSR Expenditures:

CSR expenditure shall include all expenses including contribution to corpus or on projects/program relating to CSR activities approved by the Board on recommendation of its CSR Committee, but does not include any expenditure on an activity which is not in conformity or not in line with activities specified in Schedule VII of the Act.

5. CSR Projects, Programs and Activities:

In accordance with the primary CSR philosophy of the Company and the specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendments thereof, the CSR activities of the Company will have any of the following thrust areas (either new or ongoing):-

S. No.	Activities covered in Schedule VII to the CA 2013	Projects or Programs undertaken or to be undertaken by Company
i.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	<ul style="list-style-type: none">• Mid-day Meal Program
ii.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects	<ul style="list-style-type: none">• Supporting education/vocational trainings to under-privileged children• Sponsorship of education
iii.	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	<ul style="list-style-type: none">• Supporting healthcare
iv.	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	
v.	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 and handicrafts	



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vi.	Measures for the benefit of armed forces veterans, war widows and their dependents	
vii.	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports	
viii.	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	
ix.	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government	
x.	Rural development projects	
xi.	Slum Area Development	

Any projects/programs/activities in areas other than the above will be taken with the approval of the CSR Committee. The above activities as specified in Schedule VII above must be interpreted liberally so as to capture the essence of the subject enumerated in the said schedule. The items enlisted above are broad based and intended to cover a wide range of activities.

The Company may also consider undertaking or supporting CSR initiatives beyond its geography but in alignment to its Thrust Areas and Affirmative Action on matters of national importance based on community need and exigencies including natural disasters, etc.

6. Activities excluded from CSR activities for compliance of Companies Act 2013 u/s 135:

- 6.1 Political contribution
- 6.2 Activities that are solely for benefit of employees and their families.
- 6.3 Activities that are in pursuance of business-as-usual /activities undertaken in pursuance of normal course of business of a company.
- 6.4 CSR activities should be undertaken by Company in project/program mode. One-off events such as marathons/awards/charitable contribution/advertisement/sponsorships of TV programs would not be qualified as part of CSR expenditure.

7. Capacity Building (expenditure on CSR):

The company may build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent, as well as how to effectively manage other organizations through which or in collaboration with which the company undertakes/may undertake CSR activities. CSR expenditure like salaries of personnel who are engaged in CSR activities, can be spent on capacity building for the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects and expenses incurred on their training etc. However amount spent on this cannot make up more than 5 per cent of the overall CSR budget for the year and the organization providing the capacity

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building training where engaged, must have a track record of more than three years in implementing such training.

8. CSR through registered Trust, Society, Otherwise:

The Board of Directors of the Company may decide to undertake CSR activities, as approved by the CSR Committee, through a registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under section 8 of the Act or otherwise. Provide that:

- i) If such trust, society or company is not established by the Company or its holding or subsidiary or associate company, it shall have an established track record of 3 (three) years in undertaking similar programs or projects;
- ii) The company has specified the projects or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

At present the Company's CSR activities are undertaken through a Non Government Organization namely 'Khushi Kinship for Humanitarian Social and Holistic Intervention' has been registered in the year 2003 under the Societies Registration Act 1860 vide registration no. 47900. It has also got the registration u/s 12A read with Section 12AA (1) (b) of the Income Tax Act 1961 to carry out charitable activities. The aim of this organization is to provide the most disadvantaged children with education, supplement food and medical assistance by way of their various projects viz. construction work, after school program, scholarships, *Khushii* Vocational Centre, etc. *Khushii* has a track record of more than three years in undertaking these programs/projects.

9. Monitoring and Review Mechanism:

The administration of the CSR Policy and the execution of identified CSR projects, programs and activities, shall be monitored and reviewed by the CSR Committee itself from time to time, under the overall superintendence and guidance of Board of Directors of the Company.

10. CSR Disclosure:

The Company shall include an annual report on CSR, in its Board Report for the financial year commencing on or after 1st April 2014 and the relevant portion of CSR policy will be posted on company's website. *In case the Company has failed to spend the 2 per cent, of the average net profit of last three financial years, it shall provide reasons for not spending the amount in its Board Report.*

11. General:

Further, any or all provisions of the CSR Policy would be subject to revision/amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.
