



**Corporate Social Responsibility (CSR)
Policy**

REGISTERED AND CORPORATE OFFICE

Shalby Limited

Opposite Karnawati Club
Sarkhej Gandhinagar Highway
Near Prahlad Nagar Garden
Ahmedabad – 380 015
Gujarat, India

CIN: L85110GJ2004PLC044667

1. CSR POLICY & PHILOSOPHY

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the Society at large and building capacity for sustainable livelihoods.

The Company believes in conducting its business responsibility, fairly and in most transparent manner. It continuously seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives. Shalby has been making consistent efforts over the years towards economic and social upliftment of the marginalized sections of society. We firmly believe that to succeed, an organization must maintain highest standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

Though this policy has been formally formulated and adopted in terms of Section 135 of the Companies Act, 2013, and the CSR Rules to undertake CSR Activities, the Company right from its inception, has made consistent efforts to maintain an active corporate social responsibility portfolio.

Constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy has become mandatory under the Companies Act, 2013. Accordingly, our Company has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

2. CSR VISION

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

- Improving the health and hygiene of the socially or economically weaker sections, families by providing free or subsidized consultation, medicine, clinical laboratory facilities, free or concessional treatments at hospitals, provide first aid kit, organizing medical and diagnostic camps etc.
- Ensure an increased commitment at all levels in the organization, by encouraging employees to participate in the Company's CSR and give back to society in an organized manner the employee volunteering programme.
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models

3. DEFINITIONS

In this Policy, unless the context otherwise requires;

- **“Act”** shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof.
- **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.
- **“Financial Year”** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- **“Net Profits”** shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.
- **“Company”** shall mean Shalby Limited.
- **“Group Companies”** shall mean holding, subsidiaries and associates of the Company.
- **“..... Foundation” and / or “..... Foundation”** shall mean, a separate trusts formed and registered under the Indian Trust Act, 1882 and includes any other trust formed and registered under the Indian Trust Act, 1882 having similar ideology / objects.
- **“Society”** shall mean a society formed and registered under the Societies Registration Act, 1860 and includes any other society formed and registered with the appropriate authority for a social cause.
- **“Agency”** or **“Agencies”** shall mean any Section 8 Company under the Act or a registered trust / society / Non-Government Organization / Institution performing social services for the benefit of the society at large.
- **“Board”** shall mean the Board of Directors of the Company.
- **“Approved Budget”** shall mean the total budget as approved by the Board of the Company, which is to be spent or utilized for CSR activities.
- **“Annual Plan”** shall mean the annual planned CSR expenditure for the year.
- **“CSR Committee”** shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Directors, out of which, at least one director shall be an Independent Director.
- **“CSR Officer”** shall mean a person engaged by the Company to assist the CSR Committee to implement the CSR activities envisaged under the Policy.
- **“CSR Policy”** shall mean the Corporate Social Responsibility Policy of the Company, which covers the yearly activities undertaken by the Company under the policy and the CSR Expenditure thereon.
- **“CSR Activities”** shall mean all the Corporate Social Responsibility activities / programs / initiatives of the company, either ongoing or new, including but not limited to preventive healthcare program, health check-ups, free or concessional Medical Camps, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity, Employment enhancing vocational skill development program and promoting education etc., and those specified in Schedule VII to the Act (as amended from time to time) as recommended by the CSR Committee and approved by the Board.
- **“CSR Expenditure”** shall mean all CSR expenditure as recommended by the CSR

Committee and approved by Board of Directors including the following;

- i. Contributions to CSR activities which shall be implemented and / or executed by the Company.
 - ii. Contributions to CSR activities which shall be implemented through Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.
 - iii. Contribution to the Corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities or where the corpus is created exclusively for the purpose directly relatable to a subject covered in Schedule VII of the Act.
 - iv. Any other contributions covered under Schedule VII to the Act.
- **“Thrust Areas”** shall mean the areas or activities ascribed to them in this Policy, as amended by the CSR Committee, from time to time.
 - **“Trust”** shall mean a trust formed and registered under the Indian Trust Act, 1882 and under the Income Tax Act, 1961 for those states where registration of trust is not mandatory and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and / or Rules.

4. CONSTITUTION OF CSR COMMITTEE

In terms of section 135 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company at its meeting held on 28th March, 2014 has constituted a CSR Committee and reconstituted on 20th December, 2016 the following are the members;

	Name	Status	Designation
1	Mr. Umesh Menon	Independent Director	Chairman
2	Dr. Darshini Shah	Director	Member
3	Mr. Shyamal Joshi	Director	Member

The CSR Committee to, inter alia, carry out the following functions;

- i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder.
- ii. To recommend the amount of expenditure to be incurred on the CSR activities.
- iii. To monitor the implementation of framework of CSR Policy.
- iv. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be

applicable, necessary or appropriate for performance of its duties.

5. THRUST AREAS

The CSR activities we pursue will be in line with our stated Vision and Mission, focused not just around our hospitals and offices, but also in other geographies based on the needs of the communities \ societies.

The **major focus areas** where special Community Development programs would be run are:

- Promoting Health care including Preventive Health care through awareness programs, health check-ups, free or concessional Medical Camps, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity.
- healthcare we aspire to deliver facilities to communities and other sections of the society in the form of primary health care support through diagnosis and treatments, promoting preventive healthcare, building awareness about sanitation and medical camps, creating awareness through various programs, etc.
- The company may undertake projects or programs or activities aimed at improving the health and hygiene of the socially or economically weaker sections, families in the below poverty line (BPL) by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, setting up of medical and diagnostic camps, projects or programs aimed at eradicating poverty or malnutrition of women and children, pain and palliative care etc.
- Employment enhancing vocational skill development programme and promoting education
- ¹Company may undertake projects or programs or activities for the protection of elderly citizens by establishing, funding or otherwise supporting old age homes and day care facilities including medical aid and incidental or ancillary activities thereto.

6. IMPLEMENTATION

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc.

The CSR activities will be carried out directly or indirectly at the corporate office, in and around the areas of the projects of the Company, Subsidiaries and Associates. However, this shall not bar the Company from pursuing its CSR activities in any other areas. The CSR activities will be carried out / implemented, directly or indirectly, through Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as

defined under the Rules.

7. EXPENDITURE NOT COVERED OR RECOGNIZED

In terms of the Rules, the following contributions shall not be considered as CSR Expenditure;

- Contributions of any amount, whether directly or indirectly, to any political party or any person associated with a political party.
- Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.
- Expenses incurred by the Company for the fulfillment of obligations any act / statute of regulations (such as labour laws, land acquisition act etc.)
- Expenses incurred by the Company for one off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programs etc.
- Other contributions / expenses not recognized under the Act / Rules as amended or modified, from time to time.

8. FUNDING AND ALLOCATION

Following is the mode of funding and allocation of area wise planned expenditure for the CSR activities.

- The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of its Net Profits for the CSR Expenditure.
- In the absence of Net Profits in any financial year, the Company endeavors to spend such feasible amount as it may decide.
- The CSR Committee shall prepare its annual planned expenditure, for a financial year, for the CSR activities including the thrust areas and manner of implementation etc., and submit the same for approval of the Board in the following format.
- The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.
- The Company has an option to carry forward such un-spent money to next year by depositing it in a separate CSR Fund (Corpus) created by the company or to contribution to the corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities.

1. Inserted new object vide approval of Board of Directors in their meeting held 27.03.2015 and CSR committee meeting held on 18.02.2015.

SI No	CSR Activities / Thrust Areas	Schedule of implementation	Annual Budget	% of allocation
1	<p>Promoting Health care including Preventive Health care through awareness programmes, health check-ups, free or concessional Medical Camps, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity.</p> <p>Healthcare we aspire to deliver facilities to communities and other sections of the society in the form of primary health care support through diagnosis and treatments, promoting preventive healthcare, building awareness about sanitation and medical camps, creating awareness through various programs, etc.</p>			
2	<p>The company may undertake projects or programs or activities aimed at improving the health and hygiene of the socially or economically weaker sections, families in the below poverty line (BPL) by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, setting up of medical and diagnostic camps, projects or programs aimed at eradicating poverty or malnutrition of women and children, pain and palliative care etc</p>			

3	Employment enhancing vocational skill development programme and promoting education			
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9. MONITORING MECHANISM

The CSR Officer of the Company will coordinate / review the implementation of CSR activities at various areas and report to the Board through the CSR Committee. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website.

The CSR Committee shall place before the Board, a draft annual report on CSR activities as per the specified format, at the board meeting in which Annual Audited financial results are considered for Board's review and finalization. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

10. REPORTING FORMAT

Periodic reporting on the CSR activities, execution modalities, implementation schedules etc., to the CSR Committee shall be in the following format which may be amended by the CSR Committee from time to time.

Sl No	Company Initiative	Schedule VII Activity	Execution details	Budget (Rs)	Amount Spent (Rs)	Remarks

11. UPDATE

CSR committee of the Board will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modification as may be necessary. Our Corporate Social Responsibility policy conforms to section 135 of the Companies Act, 2013 on corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India.

12. EFFECTIVE DATE AND APPROVAL OF THE POLICY

The aforesaid CSR policy has been approved by the CSR committee and Board of Directors which shall be effective from 1st April, 2014.
