

# CORPORATE SOCIAL RESPONSIBILITY POLICY

## MERITTRAC SERVICES PRIVATE LIMITED

### 1. Background

- 1.1 Section 135 (1) of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('Rules') requires every company with a networth of Rs. 500 crores or net profit of more than Rs. 5 crores during any financial year shall establish a Corporate Social Responsibility Committee of the Company comprising of 2 (two) existing directors.
- 1.2 MeritTrac Services Private Limited ("Company"), has formed up a Corporate Social Responsibility Committee of the Board comprising of 2 Directors to oversee and monitor the CSR activities in line with the CSR Policy.

### 2. Policy Objectives

- 2.1 The Company is committed to conduct businesses and govern themselves with ethics, transparent and accountable manner to the stakeholders and the society at large. To lay down guidelines for proper functioning of CSR activities to attain monitor and meet the guidelines set out under the CSR Policy, the Company in the CSR Policy refers the underlying principles, and core elements essential for laying down the CSR Policy and implementing the same.

The Company's CSR policy conforms to the provisions of the Act and Rules made thereunder.

### 3. Scope

This policy covers various initiatives which we recognize will create value for our customers, society, and the environment which strengthens our business. Our commitment to CSR is increasingly important to how others perceive Manipal Education and Medical Group ('MEMG') corporate brand and MEMG Group's CSR efforts help us create strong relationships built on trust with customers, investors, students, partners, and stakeholders.

### 4. Definitions

- 4.1 "**Act**" means Companies Act, 2013
- 4.2 "**Net Profit**" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely:-
  - (i) Any profit arising out of overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
  - (ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:  
Provided that net profit in respect of a financial year for which the relevant financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act;
- 4.3 "**CSR Corpus**" the corpus would include (a) 2% of the average net profits; (b) any income arising therefrom; (c) any surplus arising out of CSR activities, will not be part of business profits of the Company.
- 4.4 "**CSR Activities**" as referred under clause 5.

4.5 “Company” means MeritTrac Services Private Limited and all its offices in India.

## 5. Areas of CSR Activities

- A. The Company's diverse CSR initiatives include inter-alia the following activities through Manipal Foundation:
- (i) Education
    - promotion of Education, including special education and employment;
    - support for girl children at primary education level;
    - intervention for needy government high school students by providing curriculum based coaching, after school hours;
    - provide life skill training for children of government schools and orphanages aimed at overall personality development;
  - (ii) Healthcare and treatment for needy and poor;
    - Free/subsidized treatment at Manipal hospitals for cardiac surgeries, renal transplants, bone marrow transplants, neurological procedures/ surgeries, orthopaedic procedures / surgeries, emergency medical care in ICU's
  - (iii) Women empowerment;
    - Setting up and supporting hygiene initiatives carried out by self-help groups in rural areas
    - Vocational training to women in tribal/ forest areas to manufacture and market products made from forest products.
  - (iv) Vocational skill training and livelihood enhancement projects for
    - Differently abled youth;
    - Sourcing, assessing, training and placing candidates through various skill providers;
    - related Skill development / vocational training, self-employment and livelihood enhancement projects;
  - (v) Environment management projects
    - Rejuvenate water bodies and reintroduce traditional and sustainable water harvesting structures for rural communities to access water and meet livelihood needs throughout the year.
- B. The CSR Committee shall ensure that the activities the Company chooses to contribute for any of its CSR activities under CSR Policy are related to the activities inter-alia as referred under Schedule VII of the Act or (Corporate Social Responsibility Policy) Rules, 2014 notified by Ministry of Corporate Affairs from time to time.
- a) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water, Sanitation and public health/low cost toilets;
  - b) promoting gender quality and empowering women, providing facilities for senior citizens and reducing inequalities faced by socially and economically backward groups, aiding disabled / handicapped;
  - c) infrastructure support to education centres/resource generation centres/ other education centres in forms of classroom items, computers etc.,
  - d) community health care (specialised medical treatment, health camps, awareness camps)
  - e) 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, Solar lighting system /non-conventional energy systems, rain water harvesting system;
  - f) 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 art and handicrafts;
  - g) measures for the benefit of armed forces, veterans, war widows and their dependents;

- h) training to promotion of rural sports, nationally recognised sports, Paralympic sports and Olympic sports & games;
- i) drinking water facilities (well, tube wells with hand pump/solar pump)
- j) construction /repair & maintenance of community centres, schools, colleges, hostels, old age homes etc.,
- k) 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;
- l) contribution to funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- m) rural development projects;
- n) In addition to above, in special/urgent cases, any development /CSR activities notified by the Ministry of Corporate Affairs from time to time and/or other similar CSR activities.

#### **6. Allocation of funds**

- a) The Company shall allocate funds atleast 2% of the net profits of the previous financial year, towards the CSR budget. However the same shall not be applicable, if there is loss.
- b) Any unspent/unutilised CSR budgeted funds for a particular year, shall not be carried forwarded to the following year i.e; the CSR budget shall be non-cancellable in future.
- c) The surplus arising out of the CSR activities or projects or programs shall not form part of the business profits of the Company.

#### **7. Arrangement with Manipal Foundation / similar institutions**

The contribution of CSR funds from the Company shall be provided to Manipal Foundation or similar national / institutions with atleast 3 years track records of carrying out CSR activities.

The Chairperson of the CSR committee would have overall supervision of all activities carried out by Manipal Foundation / similar institutions, or may be delegated to senior management officials of the Company from time to time. All projects are identified in a participatory manner, in consultation with Manipal Foundation and the relevant projects are prioritised. Arising from this focus areas, we have emerged key activities that emerged are listed under 5A hereinabove.

#### **8. Planning, implementation and monitoring of CSR activities**

All the CSR activities shall be monitored regularly by Chairperson of the CSR Committee. Review discussions shall be held amongst CSR Committee members and suggestions thereof for further improvements shall be discussed in details. Feedback shall be regularly obtained on a quarterly basis from the representative of Manipal Foundation / similar institutions about benefits of various activities and/or their suggestions. In addition during the Board meetings of Company, the Board shall also review the implementation of the CSR activities as per the understanding with Manipal Foundation or similar national / state level institution. The representative of Manipal Foundation or similar national / state level institutions will be invited to the CSR Committee meetings for briefing and implementation status of various CSR activities and measure the impact of such CSR activities through social satisfaction feedback surveys/ audits carried by external agency.

#### **9. Evaluation and impact assessment**

In addition, the policy of CSR, programmes/activities, achievement, photographs, expenditure etc. shall be made available in the public domain, particularly on the website.

The Chief Executive Officer shall be responsible for the administration, interpretation, application and review of this policy. The Chief Executive Officer also shall be empowered to



bring about necessary changes to this Policy, if required at any stage with the concurrence of the members of CSR Committee.

#### **10. General**

- a) The CSR Committee reserves the right to modify, cancel, add or amend any of the above rules / guidelines.
- b) 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 Company, from time to time.

#### **11. Amendments**

The CSR Committee reserves its right to amend or modify this CSR Policy in whole or in part, at any time in accordance with provisions of the Act and the Rules provided thereunder.