

**MEDSYNAPTIC
PRIVATE
LIMITED**

**CORPORATE SOCIAL
RESPONSIBILITY (CSR)
POLICY**

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A. Purpose:

The purpose of this CSR Policy is to outline the approach of the Company on CSR. This CSR Policy encompasses Medsynaptic Private Limited's (herein after referred to as "Medsynaptic") philosophy for social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities.

B. Background:

In conformity with requirements laid down under Section 135 of the Companies Act, 2013 as amended from time to time read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (hereinafter referred to as "the **CSR Rules**") issued by the Ministry of Corporate Affairs ("MCA"), the Board of Directors adopted this Policy on 24th January 2023. The Policy can be downloaded from the website of the Company at www.medsynaptic.com.

C. Preamble:

Medsynaptic recognizes the impact it has on communities in which it operates and believes that it has a tremendous opportunity to change lives of these communities and aims to contribute to the social, economic and environmental progress of the Country. The CSR Policy sets out Medsynaptic's commitment towards ensuring that its activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society.

D. Objectives and approach on CSR:

The objective of this CSR Policy is to:

- (i) Outline projects, programs and activities to be undertaken by Medsynaptic;
- (ii) Specify the modalities of execution of such projects, programs and activities;
- (iii) Monitor the process to be followed for such projects, programs and activities;
- (iv) Directly or indirectly take up programs that benefit the communities in and around its work centers and results over a period of time in enhancing the quality of life and economic well-being of the local populace; and
- (v) Generate community goodwill for Medsynaptic and help reinforce a positive and socially responsible image, through our CSR Activities.

E. CSR Activities:

Medsynaptic propose to undertake and support activities mentioned in Schedule VII to the Companies Act, 2013, more particularly which are listed below-

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (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.
- (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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (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 art and handicrafts.
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- (vii) Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- (viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council

of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) Rural development projects.

(xi) Slum area development.

(xii) Disaster management, including relief, rehabilitation and reconstruction activities.

(xiii) Such other activities which may be included in Schedule VII of the Companies Act, 2013 by amendment to Schedule VII of the Companies Act, 2013 vide notification issued by the MCA from time to time.

F. Activities not considered as CSR:

The following activities shall “**not be**” considered as CSR activities:

- Activities undertaken in pursuance of normal course of business.
- Contributions made, if any, to any political party.
- Monies, if any, spent exclusively for the benefit of employees [as defined in clause (k) of section 2 of the Code on Wages, 2019] and their families.
- Activities, if any, undertaken outside India, except for training of Indian sports personnel representing any state or union territory at the National or International level.
- Activities, if any, supported on “sponsorship basis” for deriving marketing benefits for its products or services.
- Activities carried out for fulfillment of any other statutory obligations under any law in force in the Country.

G. Governance:

a. Board of Directors:

The Board shall review the impact of CSR activities, provide input and satisfy itself that the CSR expenditure are aligned to the CSR Policy and has been utilized for the purposes and in the manner as approved by it. In addition, at the end of the financial year, the CFO or the person responsible for the financial management of the Company shall certify to the Board that CSR expenditure have been utilized for the purposes and in the manner approved by the Board.

b. CSR Committee:

A CSR committee shall be constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 in case the CSR obligations of the company exceeds Rs. 50 lacs in a Financial year or in case the company is required to transfer unspent

CSR amount related to ongoing projects to “Unspent CSR Account” as per Section 135(6) of the Companies Act, 2013.

H. CSR expenditure:

a. Annual CSR expenditure:

The company is committed to spend **2%** of its average net profits made during the immediately preceding 3 financial years on CSR activities. If during any financial year the company spends an amount in excess of 2% of its average net profits, the same shall be considered as excess CSR expenditure for the said financial year and shall be set-off in the immediately succeeding 3 financial years subject to fulfillment of conditions prescribed under Section 135 of the Companies Act, 2013 and the CSR Rules, if the Board of Directors decides to do so.

b. Limits on CSR expenditure:

Administrative overheads on CSR activities shall not exceed 5% of total CSR expenditure in any financial year. Total expenditure incurred on conducting mandatory Impact Assessment Studies of CSR projects shall not exceed 2% of total CSR expenditure of the company for a financial year or Rs. 50 Lacs, whichever is higher. The company shall not acquire any capital assets out of its CSR expenditure. In case it acquires any capital assets, the said capital assets shall be held by Implementing Agency/ Beneficiaries of the Project/ Public Authority in the manner specified under Section 135 of the Companies Act, 2013 and the CSR Rules.

c. Unspent CSR amount:

Unspent CSR amount, if any, at the end of the financial year, in respect of ‘Ongoing Projects’ and/or ‘Other Projects’ shall be dealt with in the manner prescribed under Section 135 of the Companies Act, 2013 and the CSR Rules.

d. Excess CSR expenditure:

If in any financial year the company spends on CSR activities in excess of the obligated 2% of average net profits, the Board may decide to set-off the same in the immediately succeeding 3 financial years, subject to conditions prescribed under Section 135 of the Companies Act, 2013 and the CSR Rules.

e. ‘Income’ or ‘Surplus’ arising out of CSR activities:

‘Income’, or ‘Surplus’, if any, arising out of CSR activities shall not form part of company’s business profits and shall be ploughed back in the same CSR project or transferred to “Unspent CSR Account” and shall be spent in pursuance of CSR Policy and the Annual Action Plan on CSR activities or shall be transferred to a Fund

specified in Schedule VII within a period of 6 months of the expiry of the financial year.

I. Annual Action Plan on CSR Activities:

As prescribed under CSR Rules, at the beginning of every financial year, the Board shall prepare and approve a detailed Annual Action Plan on CSR activities for the financial year. Any deviation from Annual Action Plan on CSR activities shall be made only with the prior approval of the Board. The Annual Action Plan on CSR activities shall contain detailed information on the following:

- List of CSR projects that are to be undertaken in the financial year.
- Manner of execution of these CSR projects.
- Modalities of utilisation of funds, year-wise (in case of multi-year projects).
- Implementation Schedules for all CSR projects.
- Monitoring and reporting mechanism for all CSR projects and
- Details of need and impact assessment studies, if any, for CSR Projects undertaken earlier.

J. Guiding Principles for selection of Projects:

The company will strive to select CSR projects based on following guiding principles-

a. Right focus:

Concerted and focused efforts keeping in view social, economic, environmental well-being with a holistic approach on sustainable development of people and planet leading to projects that will have long lasting and systemic impact which are non-discriminatory in nature.

b. Right scale:

Focus on scalable projects which need significant coordination with large sections of civil society.

c. Right monitoring and strong governance:

Projects with evidence-based and measurable impacts along with focus on strong governance and monitoring mechanism.

K. Implementation and monitoring of CSR Projects:

a. Project Implementation:

The company shall implement CSR projects either by itself directly or other Implementing Agencies which fulfill the criteria laid down in Section 135 of the

Companies Act, 2013 and the CSR Rules and which are registered with the MCA. Projects shall be implemented in strict compliance with the requirements laid down in the CSR Rules and in accordance with the socio-economic needs of the society. Implementation will be in adherence to the approved Annual Action Plan on CSR activities for the financial year.

b. Project Monitoring:

The company has a dedicated team of personnel for CSR activities to monitor implementation of projects, to hold regular discussions with Implementation Agencies, ("IAs"), undertake regular site visits and seek periodic reports from IAs. The dedicated team of personnel for CSR activities shall also ensure periodic monitoring of projects. Payments to IAs shall be made as per the milestones achieved by them in accordance with the agreement executed for projects. In addition, reputed external agencies may be appointed to monitor implementation of projects on the ground, who will be responsible to report end-to-end activities *vis-a-vis* objectives of projects.

The dedicated team of personnel for CSR activities shall ensure that IAs submit periodic pictures of project sites and videos (both before and after completion of projects, including satellite pictures), as well as feed-back of people living in the communities/ project beneficiaries. Going forward the company may continue to conduct need-based impact assessment studies of various CSR projects in addition to those where it is mandatory to do so.

L. CSR Reporting:

The Company shall report on the CSR Activities of the company in the Annual Report to be included in the Board's Report and shall also file/submit required Forms/efoms with the MCA as per the format specified under Section 135 of the Companies Act, 2013 read with the CSR Rules and shall also display the CSR Policy, Constitution of CSR Committee (if applicable) and CSR Activities and projects approved by the Board on its website.

M. Amendments to this Policy:

Board of Directors shall have the power to revise/modify /amend this Policy from time to time, as they may think fit. In the event of any conflict between the provisions of this Policy and applicable statutes, the applicable statutes will prevail and shall be applicable.

N. Effective Date:

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

FOR MEDSYNAPTIC PRIVATE LIMITED



DR. ASHISH DHAWAD
CHAIRMAN
(DIN 00030980)

DATE: 24TH JANUARY 2023
PLACE: PUNE