



**MOHINI HEALTH & HYGIENE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY**  
**(CSR) POLICY**

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of **MOHINI HEALTH & HYGIENE LIMITED** (“the Company”) was constituted by the Board of Directors of the Company at their meeting held on June 23, 2017 and reconstituted by the Board of Directors at their meeting held on November 01, 2017, it is again reconstituted by the Board of Directors at their meeting held on 30<sup>th</sup> August, 2019.

## **1. Preamble**

We, at Mohini Health & Hygiene Limited believe that our business is built around strong social relevance of inclusive growth by supporting the common man in meeting their financial needs, healthcare, education and other awareness programs will remain our priority. We equally believe that creation of large societal capital is as important as wealth creation for our shareholders. As a responsible human organization, we are committed towards the above objective and are keen on developing a sustainable business model to ensure and activate our future growth drivers. In line with the regulatory expectations, we are putting in place a formal policy as a guide towards our social commitment going forward.

## **2. Key words & meanings:**

1. “Act” shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.
2. “Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
3. “Approved Budget” shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
4. “Board” shall mean the Board of Directors of the Company.
5. “CSR Annual Plan” shall mean the annual plan detailing the CSR expenditure for the year.
6. “CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
7. “CSR Policy” means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
8. “CSR Projects” or “Projects” means Corporate Social Responsibility projects/activities/ programs/ initiatives, instituted in India, either new or ongoing, and include, but are not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR.
9. “Financial Year” shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.
10. “Net profit” means the net profit of a 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 from any 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 in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;

11. “Ongoing Project” means a multi-year project undertaken by a Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
12. “Public Authority” means ‘Public Authority’ as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005)
13. “Rules” shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

### ***3. Policy Scope & Objectives***

This policy will apply to all projects/programmes undertaken as part of Mohini Health & Hygiene Limited Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in related laws . The objective of the CSR Policy (“Policy”) is to lay down the guiding principles in undertaking various Programs and projects by or on behalf of the company relating to Corporate Social Responsibility (“CSR”) within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014. (“Rules”)

### ***4. CSR Activities***

The activities that the Company may undertake shall be (inter alia):

- eradicating hunger, poverty and malnutrition, promoting 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;
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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 [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].;

- protection of national heritage, an 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;
- 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];
- training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- 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 Government for socio-economic development and relief and welfare of the Scheduled Castes,-the Scheduled Tribes, other backward classes, minorities and women;
- contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- 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).]
- rural development projects.
- slum area development.
- disaster management, including relief, rehabilitation and reconstruction activities
- Any other activities as may be prescribed by the Central Government.

### **5. Activities Are Not Covered Under CSR**

- The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities.
- One-off events such as marathons/ awards/ charitable contribution/advertisement/sponsorships of TV programs etc. would not be qualified as part of CSR expenditure.
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act, etc.) would not count as CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as a CSR activity.

- Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level
- Activities are undertaken by the company in pursuance of its normal course of business

## **6.Implementation Of CSR Projects**

The Company shall implement the identified CSR Projects by the following means:

- The Company may itself implement the identified CSR projects presently within the scope and ambit of the Policy;
- The company may also implement the identified projects presently through its Foundation or Trust, if any, which is involved in CSR activities or public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Companies Act 2013 within the scope and ambit of the Policy.
- The CSR Officer may engage external professionals/ firms/ agencies if required, for the purpose of implementation of its CSR Projects.
- The Company may implement the identified CSR Projects through Agencies, subject to the condition that :
  - The activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act provided.
  - The agency has an established track record of at least three years in undertaking similar programs or projects.

## **7. Monitoring & Reporting**

The CSR Committee will oversee the implementation and monitoring of all CSR projects/ programs and half yearly reports shall be provided for review to the CSR Committee. The Company will institute a well-defined, transparent monitoring and review mechanism to ensure that each CSR project/program has:

- Clear objectives developed out of the socio-economic needs, that may be determined through need assessment studies and research (secondary or primary);
- Clear targets, time lines and measureable indicators, wherever possible;
- A progress monitoring and reporting framework that is aligned with the requirements of Section Monitoring/ supervision of CSR projects will be done on regular basis. CSR Committee of Board of Directors shall review the progress of activities on half yearly basis. This committee will report to the board of the Directors.

## **8.Allocation of CSR Spend**

- The Company in every Financial Year, shall endeavor to spend such feasible amount as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned CSR Expenditure in any Financial Year shall be at least 2% of Company's average Net Profits for the three immediately preceding Financial Years.
- Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee.
- In case the Company fails to spend the statutory minimum limit of 2% of company's average net profits of the immediately preceding three years, in any given financial year, the board shall specify the reasons for the same in its report and unspent/ unutilized CSR allocation of a particular year will be carried forward to the next year. And, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.
- The Managing Director of the company is authorized severally to decide on projects to be implemented within the allocation as per the Annual Plan

## **9. Duties And Responsibilities**

- The CSR Committee shall monitor the implementation of the CSR policy and CSR Plan .In discharge of CSR functions of the company, the CSR Committee shall be directly responsible to the board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- The CSR Committee shall place before the board the draft annual report as per the format in annexure to the rules in Board Meeting for Board review and finalization.
- The CSR Committee shall place before the board every year a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company for inclusion in the Board's Report.

- The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

## **10 Miscellaneous**

- This Policy shall remain in force unless amended or withdrawn.
- The Managing Director and the Director of the company are jointly or severally authorized to amend this Policy to appropriately incorporate statutory amendments relating to corporate social responsibility from time to time. Such amended policy shall be placed before the CSR Committee and the Board for information and noting.
- The Board may, in accordance with Applicable Laws, alter, amend, review, substitute this Policy as and when required without any prior intimation to any stakeholder for justified reasons.
- Any questions and clarifications relating to this Policy should be addressed to the Company Secretary at [cs@mohinihealthandhygiene.com](mailto:cs@mohinihealthandhygiene.com).

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