



Institute of Neurosciences, Kolkata (I-NK)

Corporate Social Responsibility (CSR)

INTRODUCTION:

The Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. This has also enabled us to fulfill our commitment to be a socially responsible corporate citizen.

Pursuant to section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014 every Company having net worth of Rs.500 crore or more or turnover of Rs.1,000 crore or more or net profit of Rs.5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee ('CSR Committee') and the CSR Committee shall formulate and recommend policy.

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 15th December, 2016 has constituted a CSR Committee and the following are its members;

1. Dr. R P Sengupta,Chairman
2. Mr. Atma Ram Sonthalia
3. Dr Urmila Khanna

The CSR Committee so constituted formulated the policy on Corporate Social Responsibility (CSR Policy) and recommended the same to the Board of Directors of the Company ('Board') for its approval. The Board vide its resolution dated 17th March, 2015 approved and adopted the CSR Policy. The Board may, upon recommendation of the CSR Committee, amend or modify this CSR Policy as and when necessary.



CORPORATE SOCIAL RESPONSIBILITY POLICY-- OBJECTIVES

The core areas for I-NK CSR programs are:

- Promoting healthcare including preventive healthcare.
- Providing basic awareness on Healthcare & hygiene
- Promoting sanitation and making available safe drinking water including contribution to the Swach Bharat Kosh set up by the Government
- Slum areas development
- 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;

EXCLUSION FROM CSR:

The following activity shall not form part of the CSR activities of the Company:-

- The activities undertaken in pursuance of normal course of business of a company.
- CSR projects/programs or activities that benefit only the employees of the Company and their families.
- Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
- Any CSR projects/programs or activities undertaken outside India.
- 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.



PROCESS OF IMPLEMENTATION

1. The Company shall implement the CSR activities either on its own or in partnership with the government, not for profit organizations, Trusts, Societies or / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.
2. The Company may collaborate or pool resources with other companies to undertake CSR activities.
3. The Company will set up dedicated Committees for implementation of CSR projects. The Committees managing CSR projects will be authorized to sign Memorandums of Understanding (MOUs)/Agreements with the implementing partners after taking required approvals.

ROLE OF THE BOARD

The Board of Directors of the Company will be responsible for:

1. Approval of the CSR Policy of the Company.
2. Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with the CSR Rules.
3. Ensuring that the social projects included in the Policy are undertaken by the Company.
4. Ensuring that the Company spends the CSR amount in pursuance of the CSR Policy.
5. Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects.
6. Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.

ROLE OF THE COMMITTEE

The terms of reference of the committee are as following:

1. Formulate and recommend the CSR 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 and its implementation



2. Recommend the CSR expenditure to be spent by the company to the Board and specific activities to be undertaken.
3. Monitoring the CSR activities and Policy from time to time.
4. Reporting to the Board on implementation of the CSR activities, compliance of the CSR Policy and activities being undertaken

The CSR Committee has the powers to:

- Seek monitoring and implementation report from the Organisations receiving funds.
- Delegate a designated company official to co-ordinate with the Organisation receiving funds to inspect the activities undertaken and ensure information in a timely manner.

The CSR Committee shall place before the Board, a draft annual report on CSR activities as per the specified format, in the First Board Meeting of the following year 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.

ROLE OF EXECUTIVE COMMITTEE

The CSR Committee will constitute CSR 'Execution Committee(s) comprising of the senior Management Officials for various Projects to be undertaken under this Policy.

The terms of the CSR executive committee(s) are as following:

1. Identifying and recommending the CSR programs / Partners, to the CSR Committee.
2. Plan annual budgets for CSR projects in coordination with the implementing departments and make a proposal to the CSR Committee
3. Implementing CSR Programs as per approved CSR Policy
4. Reporting to the CSR Committee the following on periodically:
 - a. details of CSR activities undertaken
 - b. details of the expenditure incurred thereto and
 - c. the Progress of CSR works / activities being undertaken



CSR BUDGETING AND EXPENDITURE

1. The Company shall endeavor to spend at least 2% of the average net profits made during the immediate three preceding financial years on CSR activities based on the requirements of Companies Act 2013. The allocation of the fund shall – as decided by the CSR Committee based on the evaluation of specific project/activities.
2. The unutilized CSR budget, if any shall be spent in subsequent years.
3. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.
4. CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan as per Schedule VII of the Companies Act 2013.
5. The Company will establish an accounting system to ensure project wise accounting of CSR spend.

CSR MONITORING PROCESS

1. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
2. The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to CSR Executive Committee or such persons or bodies as it may deem fit.
3. The CSR Executive Committee or persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the Committee may direct.



4. The CSR Executive Committee shall monthly review the implementation of the CSR Programmes and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
5. The CSR Executive Committee shall provide a status update on a quarterly basis to the CSR Committee on the progress of implementation of the approved CSR Programmes carried out during the period. It shall be the responsibility of the CSR Committee to review such reports and keep the Board apprised of the status of implementation of the same.
6. The CSR Committee shall provide a status update on a half yearly basis to the Board.

REPORTING AND DISCLOSURES

1. The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.
2. If the company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount; and
3. The content of Corporate Social Responsibility (CSR) policy shall be displayed on the company's website.

GENERAL

- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time
- I-NK reserves the right to modify, cancel, and add any/all provisions in the CSR Policy.
