

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A. POLICY BRIEF AND PURPOSE

Corporate Social Responsibility (CSR) of Lotus Eye Hospital and Institute Limited (the Company), refers to the Company's statutory responsibility towards uplifting communities, nature, society and environment. The Company's existence is not

aloof, it's part of a bigger system of people, values, other organizations and nature.

The Company wants to be a responsible business that meets the highest standards of ethics and professionalism. The Company's social responsibility intends to imbibe compliance and proactiveness. The Company is committed to legality and willingness to observe community values and dedicated to protecting human rights, help communities and recognizes the need to protect our natural environment.

This CSR Policy will ensure legality and respect the law, honor its internal policies, ensure all its business operations are legitimate. The Company is committed to always conduct its business with integrity and respect to human rights. We'll promote safety & fair dealing, respect towards the consumer, anti-bribery and anti-corruption practices.

The Company may preserve a budget to make monetary donations to specific government approved funds and notified under the Schedule VII of the Companies Act, 2013 and to commit and execute projects in such of those CSR activities as mandated by law. The CSR contributions by the Company will aim to advance the arts, education, and community events, alleviate those in need. Company will proactively protect the environment and initiate and support community and educational programs.

B. CONCEPT AND VISION

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society. The Company will take initiatives to combat the causes of poverty through socio economic and health programs for the communities in which the Company operates, and actively contribute to focus on nation building and also need based initiatives aligned with the national priorities such as public health, education, livelihood, water conservation and natural resource management. In doing so, build a better sustainable way of life and help the country in building strong foundations.

The Company believes in "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the Company, but instead promote positive social and environmental change which ultimately bring self reliance and self sustainability of vulnerable and disadvantaged communities and beneficiaries across India. Company's responsibility is focused on the impact that it has on society at large and the societal expectations of them.

In alignment with the vision of the Company, the Company, through its CSR initiatives is committed to continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible. This brings balance between financial, environmental and social performance.

1. DEFINITIONS

- 1.1 **“Board”** means the Board of Directors of the Company;
- 1.2 **“Company”** means Lotus Eye Hospital and Institute Limited;
- 1.3 **“Corporate Social Responsibility (CSR)”** means and includes but is not limited to:
- 1.3.1 Projects or programs undertaken in line with Schedule VII of the Companies Act 2013 by the Board of Directors of the company in pursuance of this CSR policy and as per the recommendations of the CSR Committee.
- 1.4 **“CSR Committee”** means constituted by the Board pursuant to section 135(2) read with Rule 5(1) of Companies (Corporate Social Responsibility) Rules 2014 of the Companies Act, 2013;
- Provided that CSR committee need not be constituted if the CSR expenditure does not exceed fifty lakh rupees and the functions of the committee shall be discharged by the Board of Directors of Lotus Eye Hospital and Institute Limited
- 1.5 **“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 if constituted, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- 1.6 **“Net Profit”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely: -
- 1.6.1 Any profit arising from any overseas branch or branches of the Company, which operated as a separate company or otherwise; and
- 1.6.2 Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013; Provided that net profit in respect of financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act 1956 shall not be required to be re-calculated in accordance with the provisions of the Companies Act, 2013.
- 1.7 **“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

- 1.8 Words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 or Companies Rules 2014 shall have the same meaning respectively assigned to them.

2. POLICY OBJECTIVE& SCOPE

- 2.1 This CSR Policy shall operate as the Corporate Social Responsibility Policy of the Company for the purposes of Section 135 of the Companies Act, 2013, and in accordance with the CSR rules and amendments duly notified by the Ministry of Corporate Affairs, GOI. This Policy shall apply to all CSR projects/programmes undertaken by the Company as per Schedule VII of the Act. This CSR policy lays down broad guidelines and principles for the company's activities in the sphere of Corporate Social Responsibility undertaken in India.

3. POLICY JURISDICTION

- 3.1 Location of CSR projects induction and implementation is across the country and in the areas where Company's operations are situated. Specific focus will be provided to communities living in and around the city, town or village of Coimbatore District.

C. CONSTITUTION, COMPOSITION AND SCOPE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

1. CONSTITUTION AND COMPOSITION OF THE CSR COMMITTEE

- 1.1 The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising of 3 (three) or more members out of which at least one Director shall be an independent Director.
- 1.2 The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.
- 1.3 The Composition of CSR Committee shall be disclosed in the Board's report.

2. SCOPE OF THE CSR COMMITTEE

- 2.1 The CSR Committee has been set up to:
- 2.1.1 Formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company as detailed in the Schedule VII to the Act;
- 2.1.2 Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy;

Provide guiding principles for selection, implementation and monitoring of projects
Provide approach and direction given by the Board towards CSR projects / spend
Formulation of the Annual Action Plan based on CSR objectives and spend plan.

- 2.1.3 Monitor the implementation of CSR Projects or programs or activities undertaken by the Company on CSR policy from time to time; and
- 2.1.4 Modalities of execution of the CSR Projects or programs and their implementation along with monitoring process of such projects or programs as decided by the CSR Committee.
- 2.2 CSR Committee is authorized to approve any new activity during the relevant financial year. The CSR Committee will determine the monitoring mechanism for CSR initiatives and may employ consultants to monitor progress on the CSR initiatives of the company.

Ensure legal and regulatory compliance relating to CSR as provided under the Act and the Rules
Report to the shareholders about the various CSR activities undertaken by the Company as prescribed.
Periodically review the effectiveness of CSR spend.

3. REGISTRATION OF SOCIETY OR TRUST

- 3.1 Policy has provision for registering a Section 8 company, Society or trust in order to carry out CSR activities independently under the direction and supervision of CSR Committee of the Board of the Company. The Board is empowered to set up such CSR vehicles that it may choose to carry out CSR spend and activities as it deems fit.

D. CORPORATE SOCIAL RESPONSIBILITY - AREAS OF FOCUS

- 1. The Company shall upon the recommendations of the CSR Committee and with necessary approval of the Board, undertake any one or more of the following activities, as part of this corporate social responsibility initiative, which are defined in Schedule VII of the Companies Act, 2013.
 - 1.1 Promoting education, including higher education and employment enhancing vocation skills especially among meritorious children from weaker sections of the society, women, and the differently abled. And livelihood enhancement projects;
 - 1.2 Infrastructure development of education institutions and up keep of school buildings including facilities;
 - 1.3 Sponsoring and/or maintaining primary health care centers and sponsoring Immunization programs;
 - 1.4 Upkeep of health center buildings including facilities there;

- 1.5 Ensuring environmental sustainability, constructing check dams/rainwater harvesting facilities and maintaining quality of soil, air and water;
- 1.6 Any other activities within the purview of schedule VII of the Act that the CSR Committee of the Company may define and recommend from time to time.

Provided that the

- a) activities undertaken in normal course of business
- b) activities that benefit only the employees of the Company
- c) activities undertaken by the company outside india
- d) contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act 2013
- e) activities supported by the company on sponsorship basis for deriving market benefits for its products or services
- f) activities carried out for fulfillment of any other statutory obligations under any law in force in India.

Shall not qualify for Corporate Social Responsibility.

2. VOLUNTEERING OPPORTUNITIES

- 2.1 The Company will encourage and recognize its employees for volunteering with the spirit of serving and sharing with the community. The Company shall endeavor to increase employee participation in volunteering.

E. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES

1. For achieving its CSR initiatives and activities through implementation of meaningful & sustainable CSR programs, the Company needs to allocate, in every financial year at least 2% (two per cent) of the average net profit made by the Company during the three immediately preceding financial years.
2. The average net profit of the Company shall be calculated in accordance with section 198 of the Companies Act, 2013.
3. In case the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the prescribed amount and transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
4. If the unspent amount relates to any ongoing project, transfer such unspent amount to a separate Fund, 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..

5. In case the company spends an amount in excess of the requirements provided under the provisions of Companies Act, 2013, the company may set off such excess amount against the requirement to spend under the provisions of Companies Act, 2013 for a maximum of three succeeding financial years and in such manner, as the board may decide.

Provided that excess amount available for set off shall not include the surplus arising out of spending on CSR activities; and the Board of Directors shall pass a resolution to that effect

6. The surplus arising out of the CSR projects or programs or activities shall not form a part of the business profit of the Company.
7. CSR expenditure shall include all expenses including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee, expenses incurred by the company for general management and administration of Corporate Social Responsibility not exceeding 5% of total CSR expenditure of the company for the financial year, but should not include any expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act.

F. CSR REPORTING & DISPLAY OF CSR POLICY

1. The Board's report of a Company covered under the CSR Rules shall include an annual report on CSR containing particulars as per CSR Rules.

Every CSR spend has to be validated by the CFO / Head of Finance of the company. The CFO /Head of Finance shall report by means of a certificate on transfer of the CSR amount to the Trust or to any direct beneficiary or agency and the amount having been spent based on the specified CSR objective.

2. The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on official website of the Company, if any, for public access.

3. AMBITIONS

- 3.1 The company will operate in a sustainable manner in order to create long-term value through superior financial performance.

3.2 The company will drive the industry in pursuing common high standards and anchoring best practice

4. COMMITMENTS

5.1 Maintain accurate and reliable records to meet the Company's legal and financial obligations and to manage our affairs. The Company's books and records will reflect accurately all CSR spends duly supported by necessary documents;

5.2 Cooperate fully with the company's internal and independent auditors for transparency and accountability;

5.3 Make a positive contribution to the marginalized and disadvantaged societies providing, infrastructure development, socio economic and health empowerment and sustainable development of local communities through CSR initiative and partnerships;

5.4 Strive to minimize the environmental impact of our operations; and

5.5 Comply with the laws, rules and regulations in India, with NGO partners and communities in which we operate

6. GENERAL

6.1 The company reserves the right to modify, add or amend any of the above activities/rules/guidelines within the ambit of Companies Act, 2013 and rules made there under. In case of any queries with regard to any of the provisions of the policy, decision of the Chairman of the CSR Committee is final

Approved by the Board in its meeting held on 24.05.2023