



Medgel Private Limited CSR Policy



(CSR Policy incorporating the amendments made in CSR Rules, 2014 approved by the Board of Directors at their respective meetings, both held on 11th August, 2021)

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1. CONCEPT AND INTRODUCTION

Medgel Private Limited is having a leading business of manufacturing of Hard Gelatine and soft gelatin capsule caps, importers, exporters off and dealers in drugs, chemicals and pharmaceuticals and apparatus and spare parts thereto used in producing drugs, chemicals and pharmaceuticals and in particular hard and soft gelatine capsules and containers. We manufactures with quality production And innovative marketing support. Medgel has introduced new Improvised technology from USA to provide high quality product. In order to satisfy the customer which is our main motto.

Medgel plans to serve a perfect solution for manufacturing Nutraceutical with quick delivery and consistent quality. Medgel is a Sister Company of Medi-Caps Limited (MCL). The overarching belief of its Founder Chairman, Shri Ramesh Chandra Mittal, an entrepreneur, is to ensure highest standards in quality, customer focused service, ethical functioning and maintaining a price advantage with a diligent focus on R&D. When combined they created a much larger universe of socially committed, purposeful and meaningful contributions to the society. Through these initiatives, the group reaches out to the community that it forms a part of, finding new expressions for its mission to create healthier communities globally.

We are committed to further environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity through gender empowerment. Our CSR policy framework is developed to assist the Company in undertaking well-planned initiatives that are participatory, outcome-oriented and measurable, with the overall objective of creating sustainable impact.

2. PURPOSE OF THE POLICY

The Medgel's Corporate Social Responsibility (CSR) Policy has been developed in accordance with section 135 of the Companies Act 2013 on CSR 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 Medgel as per Schedule VII of the Act.

3. SCOPE

In furtherance of its CSR objectives, the following are covered under the CSR Policy:

- Serve as the principal guiding document for Medgel's CSR initiatives.
- Describe core programmatic themes and related impact areas as per Schedule

VII.

- Outline projects and geographies for undertaking CSR initiatives.
- Provide the framework for selection, implementation, governance, management and monitoring of CSR initiatives and formulation of the Annual Action Plan.

4. DEFINITIONS

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act, 2013, including any modifications, amendments or re-enactment thereof.
2. "Agency" (or Agencies) means any Section 8 Company or a registered trust / society / NGO / institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.
3. "Approved Budget" shall mean the total budget as approved by the Board of the Company upon the recommendation of the Board/CSR Committee, which is to be utilized for CSR Projects.
4. "Board" shall mean the Board of Directors of the Company.
5. "Company" shall mean Medgel Private Limited and wherever the context requires, shall signify the Company acting through its Board.
6. "CSR Annual Plan" shall mean the annual plan detailing the CSR projects and expenditure towards the respective projects during any financial year.
7. "CSR Committee" shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act, consisting of three or more directors, out of which at least one director shall be an independent director.
8. "CSR expenditure" means all CSR expenditure of the Company as approved by the Boar/committee, including the following:

Contribution to CSR Projects which shall be implemented and/or executed by the Company;

- Contribution to CSR Projects which shall be implemented and/or executed by its Trust or Society; and
 - Contribution to CSR Projects which shall be implemented and/or executed by an Agency.
 - Any other contributions covered under Schedule VII.
9. A whole time person may be engaged by the Company for activities envisaged in the CSR Policy.
10. "CSR Projects" or "Projects" means Corporate Social Responsibility projects / activities/ programs / initiatives, instituted in India, either new or ongoing, and includes, but is not limited to those undertaken by the Board/CSR Committee as per the declared CSR Policy of the Company.

Projects / activities / programs / initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

11. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
12. "Group Companies" means holding / subsidiaries of the Company, Medgel Private Limited including their respective holding and subsidiary companies.
13. "Net profit" shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.
14. "Ongoing Project" means a multi-year project undertaken by the Company in fulfillment of CSR obligations 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 the multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.
15. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

5. ACTIVITIES TO BE UNDERTAKEN

The following activities can be undertaken by Medgel Private Limited pursuant to Schedule VII of The Companies Act, 2013 (as amended from time to time):

- A. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- B. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- C. 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.
- D. 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.
- E. 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;
- F. 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;
- G. training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports
- H. 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;
 - 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);
- c) Department of Biotechnology
- d) (DBT); Department of Science and Technology (DST); Department
- e) 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 Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research
- f) (CSIR), engaged in conducting research in science, technology, engineering and medicine
- g) aimed at promoting Sustainable Development Goals (SDGs).
- h) rural development projects
- i) slum area development
- j) disaster management, including relief, rehabilitation and reconstruction activities

As per the Circular No. 10/2020 of Ministry Of Corporate Affairs ,Funds may be spent for various activities related to COVID-19 relating to promoting health care including preventive health care sanitation and disaster management.

The surplus if any arising out of the CSR projects or programmes or activities shall not form part of the business profit of the company.

6. DUTIES AND RESPONSIBILITIES:

I. Board of Directors

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules, as amended from time to time.

II. CSR Committee

Pursuant to section 135(9) of the Companies Act, where the amount to be spent by a company under sub-section (5) of Section 135 does not exceed Rupees fifty lakh, the requirement under sub-section (1) of Section 135 of the Companies Act 2013, constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. However if CSR amount is exceeds Rs. 50 Lacs in that Board shall constitute the committee of CSR which look after the monitor the implementation of the CSR Policy and CSR Plan. At present company is not required to constitute any CSR committee as CSR amount is less than Rs. 50 Lacs.

7. Review Periodicity and amendment:

- i. CSR Plan may be revised/modified/amended by the Board/CSR Committee at such intervals as it may deem fit.
- ii. Board/ CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.

8. Identification of CSR Projects:

1. The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objectives in other areas, as prescribed under Schedule VII of the Act and the amendments thereto.
2. The CSR activities will include Research and Development work for COVID-19 i.e. new drugs, vaccines and medical devices related to COVID-19, for the financial year 2020- 21, 2021-22 and 2022-23, which are carried out in collaboration with the institutes or organizations mentioned in item (ix) of Schedule VII of the Act.

The CSR Projects shall include all the activities undertaken by the Company in pursuance of its statutory obligation laid down in section 135 of the Act and in accordance with the provisions contained in CSR Rules, but shall not include the following:

- i. Activities undertaken in normal course of business,
- ii. Activities undertaken outside India;
- iii. Political contribution under section 182;

- iv. Activities benefiting employees of the Company as defined in section 2(k) of Code of Wages, 2019.
- v. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.

9. Implementation of CSR Projects:

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

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Areas as defined in the Policy;
2. The Company may also implement the identified Projects presently through section 8 Company incorporated under the Act, which is involved in CSR activities, within the scope and ambit of the areas as defined in the Policy.
3. The Company may collaborate with other companies, including its Group Companies if required, for fulfilling its CSR objectives provided that the Board/CSR Committee of respective companies are in a position to monitor separately such CSR Projects.

On-going projects will be undertaken by the company in fulfillment of its CSR obligations having timelines not exceeding three years excluding the financial year in which it.

10. MONITORING

Monitoring process for CSR Projects shall include the following:

1. Evaluation of Planned progress V/s Actual Progress
2. Actual expenditure V/s expenditure as per the approved budget.

11. FUND ALLOCATION

1. The Company, in every Financial Year, shall endeavor to spend the feasible amount, 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 expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years.

2. The Board/CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
 - i. Identified CSR Projects
 - ii. CSR expenditure
 - iii. Implementation Schedules
3. Total expenditure in the CSR Annual Plan shall be approved by the Board/committee
4. 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 unspent amount, relating to a project, other than ongoing project, shall be transferred to any fund included in Schedule VII of the Act (until a fund is specified in Schedule VII of the Act) within a period of six months from the expiry of the financial year and Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section {3} of section 134.
5. The unspent amount relating to ongoing project shall be transferred within a period of thirty days from the end of the financial year to a special account which will be opened by the Company in that behalf in that financial year in any scheduled bank to be called 'Unspent Corporate Social Responsibility Account and such amount will be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer, failing which the Company will transfer the same to a fund specified in Schedule VII within a period of thirty days from the date of completion of third financial year.
6. The disbursement of funds shall be submitted to the Board as a part of the review along with the details of how the funds have been utilized, which shall be certified by the Company's MD/CFO.
7. In case of an ongoing project, the implementation along with the approved timelines and year-wise allocation will be presented to the Company's Board.

12. CSR Reporting

Impact assessment, if and when mandated, will be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

13. Display of CSR activities

The composition of CSR Committee if any , and CSR Policy and Projects approved by the Board will be displayed on the company's website, for public access.

14. Transfer of unspent CSR amount

The unspent CSR amount, if any, shall be transferred by the Company to any fund included inschedule VII of the Act (until a fund is specified in Schedule VII of the Act).

For, MEDGEL PRIVATE LIMITED
Sd/-

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MANAGING DIRECTOR
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