SCEPTRE MEDICAL (INDIA) LIMITED
(formerly known as Sceptre Medical (India) Private Limited)

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

I. BACKGROUND

It is recognised that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long-term success, competitiveness and sustainability of an organisation. Further, Corporate Social Responsibility ("**CSR**") makes business sense as companies with effective CSR practices create a positive image as socially responsible organisations, achieve sustainable growth in their operations in the long run and contribute meaningfully to the communities in which they operate.

Sceptre Medical (India) Limited (formerly known as Sceptre Medical (India) Private Limited) (hereinafter referred to as the "**Company**") believes in contributing to the welfare and development of society and endeavours to make a positive impact not only on the lives of its employees and immediate stakeholders but also on society at large, to the extent feasible and in accordance with the applicable laws.

The Company is committed to undertaking CSR activities in a responsible, transparent and sustainable manner and in accordance with Section 135 of the Companies Act, 2013 ("**Act**"), the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("**CSR Rules**"), Schedule VII to the Act and amendments thereto, as applicable from time to time.

II. OBJECTIVE

The main objective of this CSR Policy is to make CSR a meaningful part of the Company's overall approach towards sustainable development and social welfare.

The Company shall endeavour to act as a responsible corporate citizen and contribute towards enhancing the welfare and development of society within the framework of the Act, the CSR Rules and this Policy.

This CSR Policy intends to:

1. strive for social, economic and environmental welfare of the society at large;
2. undertake activities that contribute towards inclusive growth, sustainable development and improvement in the quality of life of identified beneficiaries;
3. embrace responsibility for the Company's actions and encourage a positive impact through its activities to alleviate hunger, poverty and malnutrition, to protect the environment, and to support communities and society;
4. undertake CSR activities in a manner that is transparent, accountable, measurable and capable of creating a sustainable social impact; and
5. ensure that CSR expenditure is undertaken only towards activities falling within the scope of Section 135 and Schedule VII of the Act and the CSR Rules.

III. SCOPE AND GUIDING PRINCIPLES

In the aforesaid backdrop, the policy on CSR is broadly framed taking into account the following measures:

(a) The CSR activities shall be undertaken by the Company, as stated in this Policy, as projects or programmes or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

(b) The Company shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

(c) The Board may decide to undertake its CSR activities, as recommended by the CSR Committee, directly, pursuant to Section 135 of the Companies Act, 2013 and the rules made thereunder.

The following is the list of CSR projects or programmes which the Company plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. 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 arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief 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;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. rural development projects; and
11. any other measures with the approval of the Board of Directors on the recommendation of the CSR Committee, subject to the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder.

IV. ORGANISATIONAL MECHANISM AND RESPONSIBILITIES

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("**CSR Committee**") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee shall:

1. formulate and recommend to the Board a CSR policy and the activities to be undertaken by the Company as per Schedule VII;
2. recommend the amount of expenditure to be incurred on the activities; and
3. monitor the Policy of the Company from time to time.

The Board of the Company shall, after taking into account the recommendations made by the CSR Committee, approve the policy for the Company and disclose the contents of such policy in its report and ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company.

V. MODE OF IMPLEMENTATION

The mode of implementation should be direct as far as possible. If necessary, the Company may collaborate with the Government, NGO(s), societies, local authorities etc. or set up its own non-profit organisation.

For protection of national heritage, art and culture, the Company may support artists, including writers, poets, painters, musicians, dancers and theatre artists, in collaboration with partner organisations, through contribution towards operational needs, performance activities, livelihoods and other opportunities to encourage preservation of cultural and traditional Indian art forms, and may undertake restoration of architectural structures, historical monuments and water bodies.

For the benefit of armed forces veterans, war widows and their dependents, the Company may directly contribute to initiatives such as "Bharat Ke Veer" or provide aid to the children for their education or welfare.

VI. BUDGETS

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this Policy.

In case the Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

The approving authority for the CSR amount to be spent would be any one Director or the Managing Director or the Chief Financial Officer of the Company after due recommendation of the CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company.

Only CSR projects or programmes or activities undertaken in India shall amount to CSR expenditure.

CSR expenditure shall include all expenditure, including contribution to corpus, for projects or programmes relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.

Tax treatment of CSR spend will be in accordance with the Income Tax Act as may be notified by the CBDT.

VII. INFORMATION DISSEMINATION

The Company's engagement in this domain is disseminated through annual reports and its house journals as and when deemed fit.

VIII. MANAGEMENT COMMITMENT

The Board of Directors, the management and all employees of the Company subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

IX. UPDATE

The CSR Committee will review this Policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

X. COMPLIANCE WITH THE COMPANIES ACT, 2013

Our Corporate Social Responsibility Policy conforms to Section 135 of the Companies Act, 2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India.

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