

## **CSR- POLICY OF MABEN NIDHI LIMITED**

### **Preamble**

*We, Maben Nidhi Limited , believe that our business is built around strong social relevance of inclusive growth by supporting the common man in meeting their financial needs. We equally believe that creation of large societal capital is as important as wealth creation for our share holders. 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. We have been contributing to the societal wealth creation for the last several years irrespective of any regulatory compulsions as a realization of our above belief. In line with the regulatory expectations, we are putting in place a formal policy as a guide towards our social commitment going forward.*

*It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.*

*Further, CSR makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.*

### **Key words & meanings**

**Act-** *means the Companies Act, 2013 as amended from time to time*

**CSR-** *mean Corporate Social Responsibility*

**CSR Committee - means** *the committee of the board constituted in terms of Section 135 of the Companies Act, 2013 read with Rule 5 of the rules.*

**CSR Rules or Rules – means** *Companies (Corporate Social Responsibility Policy ) Rules 2014 Policy*

**CSR Policy – means** *the policy approved by the board as the Corporate Social Responsibility policy of the company as amended from time to time.*

### **Objective**

*The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Maben Nidhi Limited will act as a good*

corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

### **Applicability**

The policy shall be applicable to all CSR activities of the company whether carried by it or through any implementation agency with effect from 26th January 2015

### **Measures**

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

The CSR activities shall be undertaken by Maben Nidhi Limited as stated in this Policy, as projects or programs or activities, excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Maben Nidhi Limited company employees or their family members shall not be considered as CSR activity.

Maben Nidhi Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Maben Nidhi Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made thereunder.

The following is the list of CSR projects or programs which Maben Nidhi limited 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, 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;*
11. *any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.*

### **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 activities to be undertaken by the company as per Schedule VII;*
2. *Review and recommend any new CSR initiatives to be taken up by the company including the selection/appointment of implementation agencies.*
3. *Review and recommend any amendments to be made in the CSR policy of the Company.*
4. *Recommend the amount of expenditure to be incurred on the activities; and*
5. *Monitor the Policy of the company from time to time.*
6. *To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.*

*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 contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.*

### **Execution of projects/programs and performance management.**

*The company may undertake one or more projects or programs or activities provided in the policy either as its own or through any implementation agency. It shall be the endeavor of the company to build up necessary capabilities to implement the CSR projects on its own in the long run. It can also acquire the services of experts in respective fields by appointing them as consultants in a particular program or project. Where implementation agencies are appointed for a particular project, the company shall acquire the necessary skills to run the program on its own within 3-5 years from its implementation where it is a continuing program. While engaging a third party agency for implementing a project or program covered in the CSR policy, the CSR committee shall ensure that they have credible standing and experience in the respective fields for at least three preceding financial years.*

*All activities/projects of CSR are assessed under the agreed strategy, and are monitored every year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.*

### **Partnerships**

*Collaborative partnerships are formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.*

*The company may undertake programs in collaboration with other companies in case where such programs are separately reportable in the CSR report of Participating companies.*

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

*Approving authority for the CSR amount to be spent would be any two Director, (one of them shall be Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company after due recommendation of 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 programs or activities shall not form part of the business profit of a company.*

*The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.*

*CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs 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 spent will be in accordance with the Income Tax Act as may be notified by CBDT.*

### **Information dissemination.**

*The Company's engagement in this domain is disseminated on its website, annual reports and its house journals as and when deem fit.*

### **Management Commitment.**

*Our Board of Directors, our Management and all of our employees 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.*

### **Compliance with Companies Act, 2013.**

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