

## **CSR POLICY OF MANAPPURAM FINANCE LTD.,**

**(As approved by the board on 25<sup>th</sup> July 2014 and further amended on 10<sup>th</sup> August 2017)**

### **Preamble**

We, at Manappuram Finance Ltd., 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.

### **Key words & meanings**

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

**CSR-** mean Corporate Social Responsibility

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

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

### ***Policy Objectives***

The objective of the CSR Policy (“Policy”) is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility (“CSR”) within the meaning of section 135 of the Companies Act,2013 read with Schedule VII of the Act and the CSR Policy Rules 2014.(“Rules”)

### **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 26<sup>th</sup> July 2014

### **CSR Committee**

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.

### **Role of the Committee include;-**

- i) Draft the CSR policy and recommend the same to the Board for approval.

- ii) Review and recommend any new CSR initiatives to be taken up by the company including the selection/appointment of implementation agencies.
- iii) Review the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects
- iv) Review and recommend the CSR report to be included in the board's report.
- v) Review and recommend any amendments to be made in the CSR policy of the Company.
- vi) To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.

#### **CSR Activities ;**

As part of the CSR program, the company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business. The company may continue to undertake / fund project, programs or activities of the following nature and also undertake such other activities as may be approved by the board as is falling under schedule VII of the Act 2013.

##### **i. Promotion of Health care**

The company may undertake projects or programs or activities aimed at improving the health and hygiene of the socially or economically weaker sections , families in the below poverty line (BPL) by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, provide medical equipments, setting up of medical and diagnostic camps, free medical insurance for a group of people or families in the BPL category, projects or programs aimed at eradicating poverty or malnutrition of women and children, pain and palliative care etc.

##### **ii. Old Age homes /Day Care facilities for senior Citizens**

Company may undertake projects or programs or activities for the protection of elderly citizens by establishing, funding or otherwise supporting old age homes and day care facilities including medical aid, food and accommodation.

##### **iii. Promotion of Quality Education**

Company may undertake projects or programs or activities aimed at providing quality school education from elementary levels and to provide professional educational needs of the students in higher classes. These programs would support the students belonging to weaker sections of the society including SC/ST/OBCs by way of setting up schools, colleges, coaching centers, providing libraries, text books and other study materials, vocational training centers and centers for physically challenged students, providing endowments or other forms of recognitions to successful candidates pursuing recognized examinations, scholarships or other forms of merit cum means assistance, etc

##### **iv. Empowerment of women**

Company may take up and carry on projects, programs or activities aimed at women empowerment and gender equality. The objective may be achieved through supporting women belonging to socially or

financially weaker sections of the society by providing job oriented training programs with an objective of making them financially independent.

Further, the company may take up all or any projects, programs or activities falling under any of the activities in the following fields as approved by the board on the recommendation of the CSR committee.

- i. 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;
- ii. 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;
- iii. Measures for the benefit of armed forces veterans, war widows and their dependents;
- iv. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sport;
- v. Contribution to 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.
- vi. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- vii. Rural development projects.

#### **Effects of interpretations/clarifications and amendments on projects/ programs /activities**

The objective of the policy is to act as a guideline for the company in its endeavor to undertake socially relevant activities that will result in the overall objective of the company to create societal capital/assets for the common good and the list of activities shall be interpreted in a manner that will advance the objective. The policy shall be deemed to have amended or modified to the extent of any modification/ amendments or clarifications issued by the Central Government from time to time in relation to the CSR obligations of companies and shall be interpreted accordingly.

#### **Execution of projects/programs**

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.

#### **CSR Activities in Partnership**

The company may undertake programs in collaboration with other companies only in cases where such programs are separately reportable in the CSR report of participating companies.

### **Monitoring of CSR Activities**

CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The committee shall ensure that;

- i. Company undertakes the CSR activities as provided in the CSR policy
- ii. The projects/ programs are implemented as per the program approved by the board
- iii. The budget allocated for each of the project is utilized for the projects as per the approved plans.
- iv. The objective of the project/program is achieved as per the plans
- v. Wherever projects/programs are undertaken in partnership with one or more organizations, the part of the project or program undertaken by the company shall be distinguishable and necessary supporting documents in respect of the same shall be obtained from the other partners/implementing agency on an annual basis.

Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.

### **Surplus arising out of CSR**

Surplus arising out of any CSR project or program or activities shall not form part of the business profit of the company.

### **Amendment of policy**

The CSR policy of the company may be amended at any time by the board of the company on the recommendation of the CSR committee.

### **Reporting**

On approval of the CSR policy or any amendments thereof, the contents of the policy shall be included in the Boards' report and the same shall be displayed on the web site of the company.

At the end of each financial year, the CSR committee shall prepare a report of the CSR program in the prescribed form relating to the financial year and submit to the board for its inclusion in the Board's report.

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