

**STANROSE MAFATLAL INVESTMENTS AND
FINANCE LIMITED**

(CIN: L65910GJ1980PLC003731)

**CORPORATE SOCIAL
RESPONSIBILITY (CSR)
POLICY**

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Concept and Introduction:

Stanrose Mafatlal Investments and Finance Limited (“the Company” or “SMIFL”) is engaged in the business activities of financing mainly Inter-corporate Investments, Capital Market activities and Financing.

The Company, as a corporate concern, understands its social and environmental responsibility towards the environment, its consumers, employees, and other stakeholders and is continuously committed to perform with full dedication, enthusiasm and strength towards the improvement of society and thereby is willing to fulfill its national obligations as a corporate citizen.

Considering this, the Company through CSR policy and programmes reach out to make a difference in a myriad way in the areas of Health, Education, through its initiatives. The Company reaches out to the community that it forms a part of, finding new expressions for its mission to create healthier communities globally.

This policy titled as the ‘Stanrose Mafatlal Investments and Finance Limited- CSR Policy’ encompasses the Company’s philosophy for CSR, its responsibility as a corporate citizen and provides the broad guidelines and framework for undertaking programmes that can have a meaningful impact on the communities of which the Company forms a part of and the society at large. The policy shall apply to all the CSR initiatives undertaken by the company at various locations in keeping with the guidelines enlisted in the Schedule VII of the Companies Act, 2013. CSR policy will be periodically reviewed and appropriately revised by the CSR Committee and the Board of Directors of the Company from time to time.

Applicability of the Policy:

The Policy shall come into effect from April 1, 2019.

Preamble:

- This policy, which encompasses the Company’s philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

- The aim of the Corporate Social Responsibility Policy (CSR Policy) is to ensure that it becomes a socially responsible Corporate Entity contributing towards improving the quality of life of the Society at large.
- This policy shall apply to all CSR initiatives and activities to be undertaken by the Company independently or through any NGO or through a registered public charitable trust.

CSR Vision:

"To actively contribute to the social and economic development of the society in which we operate. In so doing, build a better and sustainable way of life for the weaker sections of society and raise the country's human development index".

CSR Activities:

Activities proposed to be carried out in future by the Company including through any Charitable Trust for fulfillment of our CSR vision would include the following:

- a.* Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh 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 centers 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, agroforestry, 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 arts and handicrafts.

- f.* measures for the benefit of armed forces veterans, war widows and their dependents;
- g.* training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- h.* 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.
- i.* Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- j.* Rural development projects.
- k.* Slum area development.
- l.* Disaster management, including relief, rehabilitation and reconstruction activities.

The approach of Stanrose Mafatlal Investments and Finance Limited (SMIFL) towards CSR will be oriented to identify and formulate projects in response to the need of society and to implement them with full involvement and commitment in a time bound manner. To take all reasonable steps for fulfillment of projects to be undertaken as a part of CSR activities and to provide all the facilities which are required for the targeted beneficiaries.

CSR Policy and initiatives/activities there under will be based on Social Commitment and necessarily be community oriented with focus on an integrated, overall, inclusive, equitable and collective approach.

The CSR Policy will aim at socio-economic development schemes with the primary goal of ensuring that benefits reach the targeted beneficiaries. CSR activities/programs to be undertaken shall be in line with approved guidelines of the Ministry of Corporate Affairs.

Implementation

- a.* The CSR activities shall be undertaken by the company, as per its stated CSR Policy, as projects or programs or activities, excluding activities undertaken in pursuance of its normal course of business.
- b.* Keeping in line with Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Company has constituted CSR Committee of the Board which has formulated and recommended the CSR Policy to the Board of Directors, and henceforth shall recommend the amount of expenditure to be incurred on CSR activities every year, if any, in lines with the statutory provisions and monitor the implementation of the CSR policy periodically.
- c.* CSR projects or programs or activities shall be undertaken in India Only.
- d.* CSR projects or programs or activities shall be for the benefit of the public at large excluding the employees of the Companies.

Funding and Allocation

- For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs/projects/Activities, SMIFL will allocate at least 2% of average Net Profit, calculated as per Section 198, of the immediately preceding three financial years, as its Annual CSR Budget, or as stipulated in the relevant statute from time to time.
- If the Company ceased to be a Company as covered under Section 135(1) of the Companies Act, 2013 i.e.
 1. Net worth of the Company is less than of rupees five hundred crore and
 2. Turnover of the Company is less than of rupees one thousand crore and
 3. Net profit of the Company is less than of rupees five crore

for three consecutive financial year, then the Company does not require to constitute the Committee and to contribute the fund towards the CSR Activity till such time the Company meets the criteria as specified under Section 135(1) of the Act.

- Any unspent/unutilized CSR allocation of a particular year, the Board shall, in its report made under section 134, specify the reasons for not spending the 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.
- If the amount remaining unspent pursuant to any ongoing project, fulfilling such conditions as may be prescribed by the Act, undertaken by a company in pursuance of its CSR Policy, shall be transferred by the company 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.
- Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

Utilization of Fund

From the allocated Fund, the annual CSR Budget will determine the activities to be undertaken under CSR for the scope of activities prescribed in CSR policy (as amended from time to time). Any expenditure not budgeted may be incurred if approved by the CSR Committee.

Monitoring and Feedback

- To ensure effective implementation of the CSR projects/programs/activities undertaken at work center, a monitoring mechanism shall be put in place by the work center head. The progress of the CSR projects/programs/activities under implementation shall be reported to the CSR Committee on periodic basis.

- Appropriate documentation of any change in SMIFL CSR Policy, annual CSR activities conducted, executing agencies, and expenditure entailed shall be undertaken on a regular basis.
- CSR initiatives of the Company shall also be reported in the Annual Report of the Company as required by the statutory provisions applicable.

Duties and responsibilities:

1. Board of Directors

The Board shall include in its annual report the CSR Projects undertaken by the Company as per the format provided in the Annexure to the Rules.

2. CSR Committee

- i) The CSR Committee shall monitor the applicability of CSR activity in a particular year and the implementation of the CSR Policy and CSR Plan and also will keep record of the total funds utilized for the above activities by the organization and also other expenditure incurred for the purpose of implementing the said policy. For this purpose, the CSR Committee shall meet at regular intervals with at least once every year.
- ii) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- iii) The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting in April/May of the following year for Board review and finalization.
- iv) The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan are displayed on the Company's website.

General

- Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Guidelines/Rules on the subject as may be issued by the Government from time to time.
 - CSR Committee of the SMIFL shall have power to revise/amend the CSR Policy in line with changing needs and aspirations of the target beneficiaries and make the suitable modifications as may be necessary.
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**Sd/-
(PRADEEP R. MAFATLAL)
CHAIRMAN**