



MANBA FINANCE LIMITED

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CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. INTRODUCTION:

This Corporate Social Responsibility Policy ("the CSR Policy") has been framed and adopted by Manba Finance Limited (the Company) hereinafter referred to as MFL in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014 and the Companies Act, 2013 shall apply to this CSR Policy. The Board may review and amend this policy from time to time subject to the recommendations of Corporate Social Responsibility Committee.

2. POLICY OBJECTIVE & COMPANY PHILOSOPHY:

The main objective of CSR Policy is to lay down guidelines for Corporate Social Responsibility activities of MFL. The Companies Act, 2013 has formally introduced the Corporate Social Responsibility (CSR) to the dash board of the Indian Companies. MFL is much positive and appreciates the decision taken by the Government of India. Legal framework of CSR is an edge to Corporate Charitable/reformative approach towards the Society to which the Corporate is belonging to. By introducing the separate section for CSR in Companies Act, 2013, the Government has given legal recognition to their community development approach.

The management of MFL expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it.

3. DEFINITIONS:

3.1 "ACT" means the Companies Act 2013 and rules thereunder.

3.2 "BOARD OF DIRECTOR" OR "BOARD" means the Board of Directors of the Company, as constituted from time to time.

3.3 "COMPANY" means the Company incorporated under the Companies Act, 2013 or under any previous Company law.

3.4 "CSR PROGRAMMES" means Programmers, projects and activities carried out in this regard are the subject matter of this Policy.

3.5 "CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OR COMMITTEE" means CSR Committee constituted by the Board of Directors of the Company, from time to time.

3.6 "INDEPENDENT DIRECTOR" means a Director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013.

3.7 "NET PROFIT" means the net profit of a Company as per its financial statement, but shall not include the following:

- i any profit arising from any overseas branch or branches of the Company whether operated as a separate Company or otherwise; and
- ii any dividend received from other in companies in India, which are covered under and complying with the provisions of section 135 of the Act.

3.8 "POLICY" means Corporate Social Responsibility.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or any other applicable regulation.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE):

The Company has constituted CSR Committee ("the Committee") comprising of following three Directors out of which two Director are Independent Directors:

- i. Shri. Anshu Shrivastava- Member (Independent Director)
- ii. Shri. Manish K. Shah- Member (Managing Director)
- iii. Shri. Nallepilly Parameswaran- Chairman (Independent Director)

The Board of Directors may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Act and CSR Rules notified with regard thereto. The composition of the CSR Committee is required to be disclosed in the Board's report prepared under the Act.

5. TERMS OF REFERENCE FOR THE CSR COMMITTEE:-

5.1 CONSTITUTION:-

The Committee has been established by Resolution of the Board of directors of the Company dated 29th January 2016 ("the Board").

5.2 MEMBERSHIP:

- i. The Members of the CSR Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of at least three members, majority of who are independent directors.
- ii. The Board shall appoint a chairman of the CSR Committee (the "Chairman") and shall decide his or her period of office. The Chairman shall be an Independent Non-executive director.
- iii. The CSR activities shall be undertaken by the Company, as per herein stated CSR Policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of the Company's business.

5.3 NOTICE:

The notice of committee meeting be sent to the committee members by giving not less than seven days' notice in writing to every member at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the CSR Committee may be called at shorter notice to transact urgent business subject to the condition that at least one independent director member, if any, shall be present at the meeting. In such a case of absence of independent director members from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director member, if any. Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 relating to meetings of Board through video conferencing or other audio visual means.

5.4 QUORUM:

A Quorum shall be two members. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee.

5.5 ATTENDANCE AT MEETINGS:

No one other than the CSR committee Chairman and other members is entitled to be present or vote at a meeting of the CSR Committee.

5.6 FREQUENCY OF MEETINGS:

Meetings shall be held at such times at the CSR Committee deems appropriate, and in any event shall be held not less than twice a year.

5.7 PROCEEDINGS:

- i. Minutes for meetings of each of the committees of the Board shall be maintained in a distinct minute book.
- ii. The minutes of proceedings of each meeting shall be entered in the books maintained for that purpose along with the date of such entry within thirty days of the conclusion of the meeting.
- iii. Each page of minutes of proceedings of a meeting of the Board committee are required to be initialled /signed by the chairman of the said meeting or the chairman of the next succeeding meeting. Similarly the last page of the record of proceedings of each meeting is to be dated and signed by the chairman of the said meeting or the chairman of the next succeeding meeting.
- iv. The minutes shall also contain the names of the directors present at the meeting; and in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- v. A resolution passed by circulation by the majority of committee members under section 175 shall be noted at a subsequent meeting of the committee and be made part of the minutes of such subsequent meeting.
- vi. The minutes books of the Board and committee meetings shall be preserved permanently and kept in the custody of the Managing director and shall be kept in the registered office the Company or at such other place in India as the Board of Directors may decide under section 128 of the Act.

5.8 CSR ACTIVITIES:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

- iii. 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;
- iv. 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;
- v. 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 and handicrafts;
- vi. measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- viii. Government for socio-economic development and relief and welfare of the Scheduled Caste\$, the Scheduled Tribes, other backward classes, minorities and women;
- ix. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- x. Rural development projects."

5.9 BUDGET FOR CSR ACTIVITY & CSR EXPENSES:

- i. The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years.
- ii. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year.
- iii. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.
- iv. 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 its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.
- v. The surplus arising out of CSR projects or programs or activities shall not form part of the business profit of MFL.

5.10 IMPLEMENTATION PROCESS:

After prioritizing the activity the Committee shall finalize the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

5.11 MONITORING BY THE BOARD:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR Committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

5.12 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, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy. Our CSR Policy conforms to the relevant section of the CSR, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

6. REPORTING:

The Board's Report under sub-section (3) of section 134 shall disclose the composition of CSR Committee

7. DISCLOSURES:

The contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website, if any.
