

EMKAY GLOBAL FINANCIAL SERVICES LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Objective

The objectives of the CSR Policy of Emkay Global Financial Services Limited (EGFSL) are to –

- To contribute to social & economic development of the communities in which we operate
- To improve the quality of life of the communities we serve through long term value creation for stakeholders
- To generate, through its CSR initiatives, a community goodwill for EGFSL and help reinforce a positive & socially responsible image of Emkay as a corporate entity.

Background

To ensure compliance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company have adopted this Corporate Social Responsibility (CSR) Policy at the Board meeting held on 23rd May, 2016 as amended from time to time.

The provisions of Section 135 of the Companies Act, 2013 ('the Act') read with Schedule VII of the Act and The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 and the relevant amendments / notifications / circulars and as amended from time to time require those companies that are falling within the purview of the said Section to undertake Corporate Social Responsibility (CSR) activities and allocate a percentage of its net profit for such activities as defined under the CSR provisions.

This Policy is formulated as required under the provisions of Section 135(3) of the Act. This Policy document is prepared to outline the approach and direction given by the Board of Directors of the company, for CSR, the guiding principles for selection of the CSR projects to be supported, the manner of making contribution of CSR fund, the methodology for implementation and monitoring of the projects/activities as well as formulation of the annual action plan and reporting of the CSR initiatives of the Company.

Policy

EGFSL is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen with focus on social service, ecological balance and environmental protection. EGFSL will endeavor to take up various CSR activities as defined herein under.

As a responsible corporate citizen, EGFSL try to contribute for possible social, educational and environmental causes on a regular basis. EGFSL firmly believe that to succeed, an Organisation must maintain high standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

CSR Committee and its Composition

In compliance with the requirements of section 135 of the Companies Act, 2013 and the Rules made there under constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy was mandatory. Accordingly, EGFSL has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

The CSR Committee shall consist of three or more directors, out of which at least one director shall be an Independent Director .

1. The CSR Committee will inter alia carry out the following functions;
 - a. Formulation and recommendation to the Board, an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall include the following namely :
 1. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 2. The manner of execution of such projects or programmes in compliance with the regulatory requirements
 3. The modalities of utilization of funds and implementation schedules for the projects or programmes
 4. Monitoring and reporting mechanism for the projects or programmes
 5. Details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect. ”.

- b. Recommending various categories of expenditure on the CSR activities in

alignment with the CSR Policy and in compliance with the Regulatory requirements.

- c. Carrying out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

“CSR Activities” shall mean all the activities / programs / initiatives undertaken by a company in pursuance of its statutory obligation laid down under the Act and in accordance with the provision contained in the Act , either ongoing or new, and in areas or subject those specified in Schedule VII to the Act (as amended from time to time) at Head office, Corporate office, Branch offices of the Company, its subsidiaries and associates wherever located, as recommended by the CSR Committee and approved by the Board.

“CSR Expenditure” shall mean all CSR expenditure as recommended by the CSR Committee and approved by the Board of Directors including the following;

- i) Contributions to CSR activities which shall be undertaken and /or implemented and / or executed by the Company.
- ii) Expenses incurred by the company for General Management and administration of Corporate Social Responsibility functions but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- iii) Contributions to CSR activities which shall be implemented through Emkay Charitable Foundation Company to carry on the CSR activities as defined under the Rules.
- iv) Any other contributions covered under Schedule VII to the Act as in force and as may be amended from time to time.

“UTILIZATION OF SURPLUS AMOUNT OUT OF CSR ACTIVITY

Any surplus arising out of the CSR activities of the company shall be utilized into the same project or shall be transferred to the Unspent CSR Account or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

SET –OFF EXCESS AMOUNT OF CSR

If amount of CSR spends in any Financial year is in excess of the requirement provided under the Act, then such excess amount may be set off against the CSR Spends as

required under the Act for up to immediate succeeding three financial years subject to the conditions that –

(i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any,

- CSR can be done outside India only if it is for training of Indian sports personnel representing any State or Union territory at national level or India at international level.

Thrust Areas :

While we strive to undertake any of the activity as specified in Schedule VII to the Act, currently, we wish to focus to support and implement the following activities as our thrust areas;

- a. Providing preventive health care, Hospital / Operations / Medical aid treatment of needy people by donating to corpus of eligible Hospitals / Trusts / NGOs
- b. Promoting education to the under privileged children, supporting socially backward people and helping the differently abled people.
- c. Rural development projects,
- d. Promoting gender equality and empowering women
- e. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources.
- f. Protection of national heritage, art and culture
- g. Spending of CSR funds for undertaking pandemic related social activities.
- h. Contribution to Prime Minister Relief Fund & other activities as specified in schedule VII to the Act

Implementation

This CSR Policy has been implemented from the Financial Year 2016-17. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities/projects or programmes including the thrust areas the modalities of utilisation of fund and implementation schedule for the project or programmes etc.

The CSR activities may be carried out directly or indirectly anywhere in India. The CSR activities/ projects or programmes may also be carried out / implemented, through Emkay Charitable Foundation. Company may also collaborate with other companies for undertaking projects or programmes as approved by the CSR Committee and Board of Directors of the Company.

CSR EXPENDITURE NOT COVERED OR RECOGNIZED

In terms of the Rules, the following contributions shall not be considered as CSR expenditure;

- a. Contributions of any amount, whether directly or indirectly, to any political party

under section 182 of the Act.

- b. Activities undertaken in pursuance of normal course of business of the company;
- c. Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.
- d. Activities carried out for fulfillment of any other statutory obligations under any law in force in India.
- e. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- f. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- g. Other contributions / expenses not recognized under the Act / Rules as amended or modified, from time to time.

Records, Statistics and Monitoring

The Company will operate systems for recording, analysis and presentation of information about CSR activities of the company consistent with the provisions of the Companies Act, 2013 and Rules framed there under. The officer designated by the CSR Committee/ Board will assist the CSR Committee in monitoring the CSR activities and keeping records of the expenditure made from time to time on each CSR activity of the company on yearly basis.

The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act and unless the unspent amount relates to any *ongoing project under the Act , transfer such unspent amount to a Fund specified in Schedule VII, within a period as prescribed under the Act/Rule.

***Ongoing Projects :** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

Any amount remaining unspent under the act, on any ongoing project, which is undertaken by a company in pursuance of its Corporate Social Responsibility

Policy, shall be complied as required under the act and rules thereunder.

In case the Company's average CSR expenditure obligation is ten crore rupees or more, in the three immediately preceding financial years, the Company shall mandatorily undertake an impact assessment, of their CSR projects or activities having outlays of one crore rupees or more. The impact assessment reports shall be placed before the CSR committee and shall be annexed to the annual report on CSR.

If total CSR spending is less than Rs. 50 lakhs in a year, then the role of the CSR Committee can be done by the Board of Directors.

Monitoring mechanism

The Company Secretary of the Company will coordinate / review the implementation of CSR activities at various areas and report to the Board through the CSR Committee. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website.

At the end of each Financial Year, the CFO of the company will issue a certificate to the Board to the effect that the funds disbursed for CSR activities pursuant to the provisions of section 135 of the Act have been utilized for the purpose and in the manner as approved by the Board of Directors of the company for CSR activities in compliance with the CSR provisions of the Act and Rules framed thereunder.

The CSR Committee shall place before the Board, a draft annual report on CSR activities as per the specified format, in a board meeting to be held in the first quarter of the following year for Board's review and finalization. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

Approval Authority

This policy is approved by the Board of Directors of the Company at its meeting held on 09th November, 2016.

The policy further amend in line with the Companies (Corporate Social Responsibility Policy) Rule 2021 in its meeting held on 19th May, 2021 and subsequently on 30th January, 2025.

Review Policy

This policy may be reviewed by the CSR Committee and Board of Directors of the

Company as and when need arises but at least once in a year and when it is found necessary to change the policy according to needs.

Policy Communication

A copy of this policy will be uploaded on the company website.

Limitation and Amendment

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.