

## **CSR Policy**

### **1. Introduction**

Right from inception Geojit Financial Services Ltd. has been carrying out its business in a socially responsible manner. From carrying out extensive campaigns on financial literacy on savings and investments to giving contributions to philanthropic and charitable causes such as support for pursuing higher education, for treatment of chronic diseases etc, the Company has been doing its bit to promote the welfare of the society. In 2005, a more focused approach was adopted in supporting social causes and since then the emphasis shifted to undertaking more long term and sustainable projects. These policies and procedures are framed to streamline the CSR activities of Geojit Financial Services Ltd and its subsidiaries (if any of the subsidiaries satisfy the criteria defined by the Companies Act 2013) to be in line with the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules 2014.

### **2. Applicability:**

As a Company that has a net profit of Rs. 5 crores or more consistently for the last many years, the CSR Policy as envisaged under the Act is currently applicable to Geojit Financial Services Ltd (GFSL) and its subsidiary, Geojit Technologies (P) Ltd. (GTPL).

### **3. Objective:**

To convey to all the stakeholders of the Company the CSR focus areas adopted by the Company and how it propose to utilize its funds to achieve results in those areas.

### **4. The Company shall be committed to:**

- 1) Comply with the statutory CSR obligations
- 2) Strive to carry out CSR activities that will bring direct benefits to the marginalized, disadvantaged, poor and deprived sections of the community
- 3) Identify CSR activities that will bring about sustainable development
- 4) Encourage employees to be active participants in the CSR initiatives of the Company
- 5) Reach out to the larger public
- 6) Support/Complement Government programs/initiatives ensuring that there is no duplication
- 7) Carry out its business in a socially responsible manner and not resort to any unfair business practices.

- 8) Not carry over surplus from CSR activities or treat it as part of the business profits of the Company

## **5. CSR Committee Composition**

The CSR committee shall consist of minimum 3 (Three) Directors of which at least 1 (one) director would be an independent director as per the requirements of Companies Act, 2013 and the rules framed thereunder.

## **6. Responsibilities of the CSR Committee:**

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the broad activities to be undertaken by the company as specified in Schedule VII of the Act but not limited to the Projects and Programs specified therein
- 2) Recommend the specific CSR initiatives to be adopted by the Company and the amount of expenditure to be budgeted for the activities
- 3) Monitor the CSR Policy of the company, its implementation and expenditures periodically
- 4) Report to the Board the reasons for not spending the amount budgeted for CSR
- 5) Provide to the Board a responsibility statement that the implementation and monitoring of CSR Policy, is in compliance with the CSR Objectives and Policy of the company.

## **7. CSR Activities:**

The Company shall undertake such CSR activities as stated in this CSR policy. In compliance with Rule 4(1) of the Companies (Corporate Social Responsibility) Rules 2014, these activities shall be undertaken by the Company as projects or programs or activities (either new or ongoing) and will exclude activities undertaken in the normal course of its business. The activities undertaken shall be in line with the activities specified in Schedule VII of the Companies Act 2013. The Company intends to focus upon education, health, environment and social inclusion. The CSR activities to be undertaken shall be approved by the respective CSR Committees.

- 1) **Education:** Education is considered to be the backbone of any society. It brings about powerful social change and is the key to building a society that can develop in a sustainable manner. In our society, education is still unaffordable for many families and children miss out on this crucial developmental tool due to this. It is to bridge this gap, even in a small way, that the Company wants to focus on Education while implementing its CSR activities. Geojit will work along with registered NGOs as well as

Educational Institutions in this regard. While on the one side the Company will look towards facilitating basic education for children who can't afford it, it would also focus on other educational activities that help develop special skill sets that enable individuals to be equipped to take up employment in specialized fields. In this respect the long term goal would be to enable development /training of individuals in being equipped to be productively employed in the financial services sector. Education also includes imparting training to individuals in civic sense, personality development, humanitarian values etc which result in the all round development of the individual and create resourceful and responsible citizens. Projects that focus on such areas will also be considered eligible to be included under CSR of the Company.

- 2) **Health:** The Company aims at focusing part of its CSR activities to providing health care to those living in and around the location of its offices and are affected by chronic diseases. A chronic condition is a human health condition or disease that is persistent or otherwise long-lasting in its effects. Common chronic diseases include cancer, Alzheimer's, heart disease, HIV/AIDS etc. Changing lifestyles and food habits have increased the prevalence of these diseases. A report by Price Waterhouse Coopers predicts that the proportion of deaths from such maladies nationwide (in India) will skyrocket from 53% in 2005 to nearly 67% in 2020. For obtaining medical care in such cases people have to often shell out vast amounts towards cost of medicines, hospitalization/surgeries etc and this may be way beyond the means of the poor and deprived strata of our society. To make matters worse, a large segment of people are not covered by medical insurance. Many times such expenses drive families to revert to distress financing which impoverishes them and ultimately drives them to poverty. To make a difference in this context, at least to the society in its neighbourhood, the Company will provide health care support to such persons. The Company believes in the adage that a healthy society is a happier and more productive society and a key driver of economic growth.
- 3) **Environment:** When economy prospers and cash flow increases, the pace of urbanization, industrialization and use of resources, too, witness a steady rise and India is no exception. This has been evident as issues like environmental pollution, water scarcity and rising temperatures have caught national attention, calling for immediate action to adopt a more sustainable economic model. It is therefore a critical need to protect our flora and fauna and reduce the harm that are done to our ecosystem. In the last few decades we are witnessing a steady extinction of natural resources. Conservation of biological diversity is of paramount importance for the survival of mankind, plants and animals. Though it is everyone's responsibility to take care of the

environment, Corporates with the resources available to them can undertake this responsibility in a highly organized manner. The Company has felt this as an acute need and plans to support environmental protection activities such as maintenance of public parks. Open Parks with recreational facilities that are accessible to persons of all ages and for those with disabilities provide health, enjoyment and well-being and provide a sense of public pride and cohesion. Parks are proven to improve water quality, improve the quality of the air we breathe, provide vegetative buffers to development, produce habitat for wildlife, and provide a place for children and families to connect with nature and recreate outdoors together. It will serve as a place for games, special events such as arts, music, and holiday festivals.

- 4) **Social Inclusion:** Social Inclusion has become a bit of a buzz-phrase in society today. It is defined as the process of improving the ability, opportunity and dignity of the marginalized and disadvantaged such as the differently abled people and senior citizens. As per the Ministry of Statistics, 8.6% of the population in India are senior citizens above the age of 60 and 2.21 % are differently abled. Even though there are various social welfare schemes and programs, still most of population are not integrated into the society. In this context, Corporates can play a significant role for the upliftment of this population either directly or indirectly. Considering this, the Company intends to support the institutions engaged in their upliftment and also through NGOs, so that they can lead a better quality of life.

## **8. Territory for CSR Activities:**

The Company shall utilize the amount earmarked for CSR activities only in India and the Company shall give preference to the local areas in and around its Head Office and also in States where it has large operations.

## **9. Implementation**

- 1) Mode of Implementation: The Company shall execute its CSR activities directly, through registered NGO's (with at least 3 years track record), through Government agencies and/or in collaboration with its subsidiary companies.
- 2) CSR Management Committee: The Managing Director shall constitute a CSR Management Committee for identifying CSR projects and coordinating the CSR activities approved by the Board level CSR Committee. The Committee shall be headed by the Managing Director and shall meet once a month to review and plan the activities. The CSR Management Committee shall be mainly responsible for :

- a) Identifying projects within the broad themes of promoting education, supporting health, protecting environment and Social Inclusion
- b) Monitoring all CSR activities closely.
- c) Liaising with NGO's and Government.
- d) Reporting the outcomes transparently and authentically to the CSR Committee
- e) Plan for long term, sustainable CSR initiatives.
- f) Support the CSR audit process

#### **10. Audit of Expenditure:**

The Company shall audit the CSR expenditure in line with the activities or programs specified in this Policy on a quarterly basis and the report shall be presented to the CSR Committee.

#### **11. Monitoring and Reporting**

The CSR Committee shall monitor the CSR expenditure on a half yearly basis and report to the Board of Directors on half yearly basis. Additionally, the Directors' Report of the Company shall include an annual report on CSR containing the particulars in the prescribed format

#### **12. Display of the CSR Policy in the website of the Company**

The Board of Directors shall approve the CSR policy, after taking recommendations of the CSR committee. The contents of the policy shall then be displayed on the Company's website.

#### **13. Validity and authority for modification/ amendments**

This CSR Policy approved by the Board of the Company is valid from 1<sup>st</sup> April, 2014 and will be in force till such time it is modified or amended by the Board of Directors on recommendation of the CSR Committee

Revised in May 2018