



For F.Y. 2023-24

THE DUTY OF CORPORATE;
TO MAKE ENABLE ALL LIVING
BEING; TO GET A FAIR SHARE OF
RESOURCES.

AD-MANUM FINANCE LIMITED

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1. INTRODUCTION:

Corporate Social Responsibility refers to the responsibility of Corporate to the society that extends beyond stakeholders or investors in the Organization. That's the responsibility of course is to make money or profits for the owners. These other social stakeholders typically include consumers, the community at large, government and the natural environment.

Corporate Social Responsibility is strongly connected with the principles of Sustainability. An organization should make decisions based not only on financial factors, but also considering the social and environmental consequences. As a Corporate Citizen receiving various benefits out of society therefore it is the co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, promoting education, employment, sports etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. Ad- Manum Finance Limited (herein referred to as the Company) wishes to contribute to harmonious and sustainable development of the society through its business activities. The Company's intent is to make a positive contribution to the society in which the Company operates. This Policy sets forth the Company's goals in complying with all the CSR related provisions of the Companies Act, 2013.

2. PREAMBLE:

The Companies Act, 2013 has introduced the Concept of CSR to the forefront and through its disclose-or-explain mandate, is promoting greater transparency and disclosure. Schedule VII of the Act, which lists out the CSR activities, suggests communities to be the focal point. On the other hand, by discussing a company's relationship to its stakeholders and integrating CSR into its core operations.

In India, the concept of CSR is governed by Section 135 of the Companies Act, 2013, along with rules made there under. The CSR provisions within the Act are applicable to the companies which satisfy any of the below mentioned criteria in the immediately Preceding Financial Year:

- a) Turnover of Rs. 1000 crore or more; or
 - b) Net Worth of Rs. 500 crore or more; or
 - c) Net Profit of Rs. 5 crore or more
- d) The Companies on which CSR is applicable are required to constitute CSR committee consisting of three or more Director, out of which at least one Director shall be an Independent Director.

The Act lists out a set of activities eligible under CSR. Companies may implement these activities taking into account the local conditions after seeking board approval. The indicative activities which can be undertaken by company under CSR have been specified under Schedule VII of the Act.

3. SHORT TITLE, SCOPE & APPLICABILITY:

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, is titled as the "Ad- Manum Finance Limited CSR Policy". It has been prepared keeping in mind the Company's code of business ethics and to comply with the requirements of Companies Act, 2013 (hereinafter called as "the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014, and shall be revised time to time as and when required.

This Policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the Society, specifically the deprived, under -privileged and differently abled persons. The Members of

Corporate Social Responsibility Committee may modify this Policy if required with the approval of Board of directors of the Company. The Board shall abide by this Policy.

4. CSR VISION:

Improve Quality of Life for All our Communities through Integrated and Sustainable Development.

5. DEFINITIONS:

In this Policy, unless the context requires otherwise,

- a) "Act" means Companies Act, 2013 and the Rules made thereunder, as amended from time to time,
- b) "Company" means Ad-Manum Finance Limited
- c) "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation.
- d) "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-

- i. activities undertaken in pursuance of normal course of business of the company:

Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that

- (a) such research and development activities shall be carried out in

collaboration with any of the institutes or organizations mentioned in item (ix) of Schedule VII to the Act; (b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;

- ii. 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;
 - iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- e) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- f) "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- g) "Implementing Agency" means Balaji Sewarth Vinod Agarwal Foundation.

h) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:

- 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 companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act.

- i) "Ongoing Project" 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.
- j) "Approved Budget" shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
- k) "CSR Annual Plan" shall mean the annual plan detailing the CSR expenditure for the year.

Words and expressions used in this CSR Policy and not defined herein but defined under the Act shall have the meaning respectively assigned to

them in the Act.

6. THRUST AREAS:

While the Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII to the Act, however, at present, it proposes to undertake the relevant activities on priority basis in the following Thrust Areas:

- a) Healthcare
- b) Women Empowerment
- c) Promotion of Education

7. CONSTITUTION OF CSR COMMITTEE:

Keeping in line with section 135 of the Companies Act, 2013 and the rules thereunder (hereinafter referred to as 'the Act'), the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') to inter alia, carry out the following functions:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;
- b) Identify and Recommend the projects/activities to be taken up during the financial year to the Company's Board of Directors in which CSR fund will be spent.
- c) To recommend the amount of expenditure to be incurred on the CSR activities.
- d) To monitor the implementation of framework of CSR Policy.
- e) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4.
- f) the modalities of utilisation of funds and implementation schedules for

the projects or programmes.

- g) monitoring and reporting mechanism for the projects or programmes and
- h) To carry 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 or as may be necessary or appropriate for performance of its duties.
- i) The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following namely:-

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.

The Committee shall ensure that the Policy & Practices in the Company reflect the highest standards of corporate governance and facilitate necessary compliances and appropriate disclosures periodically.

8. COMPOSITION OF THE CSR COMMITTEE:

- a) The Committee shall be constituted with the Directors of the Company with minimum two directors.
- b) The Committee shall appoint a Personnel from the Company who shall act as Secretary to the Committee.
- c) The Chairman of the Committee can be any member of the Committee.
- d) The members of the Committee shall be elected by the Board of the Company.
- e) Tenure of the Membership in the Committee shall be based on the tenure of the Directorship in the Company.

As the provisions of the Corporate Social Responsibility is applicable on the company and accordingly the company has formulated the CSR Committee which consists of following:

| S. No. | Name of Director/Officer | Designation | Position |
|--------|--------------------------|----------------------------|-------------------|
| 1 | Mr. Dharmendra Agrawal | Whole-Time-Director & CEO | Member & Chairman |
| 2 | Ms. Priyanka Jha | Woman Independent Director | Member |
| 3 | Mr. Aseem Trivedi | Independent Director | Member |
| 4 | Ms. Neha Singh | Company Secretary | Secretary |

9. COMMITTEE MEETINGS:

a) Frequency of the Meeting:

The CSR Committee shall meet in person at least two times in a financial year and any other meetings at such appropriate times as is deemed necessary by the Committee.

b) Quorum and Place of the Meeting:

- i. The quorum necessary for the meeting shall be minimum of two members present in person.
- ii. The meeting can be held at any place as the members decide.
- iii. Any person other than Members of the Committee may attend the Meeting.
- iv. Place will be Indore.
- v. Chairman of the committee shall act as chairman of the meeting and in his absence the Committee shall elect one of its members present to chair and conduct the Meeting of the Committee.
- vi. The Committee members may attend the meeting physically or via such audiovisual means as permitted under the Act. The Committee shall have the authority to invite such employee(s), senior official(s) and or externals experts, as it may deem fit, to attend the CSR Committee Meeting(s).

c) Notice of the Meeting:

- i. Meeting shall be called by Secretary at the request of the Board of Directors of the Company.
- ii. A representative from the organization/Section 8 Company to which fund for CSR activities are given, may be called to attend the meeting of the CSR Committee.
- iii. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member of the Committee, any other person required to attend not later than seven days before the date of the meeting.
- iv. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting

d) Minutes of the Meeting:

- i. The Secretary of the CSR Committee or any other authorized person shall minute the proceedings and decisions of all the meetings of the Committee including the names of those who are present and in attendance.
- ii. Draft minutes of Committee meetings shall be circulated promptly to all the Members of the Committee and should be signed by the Chairman of that Meeting not later than 30 days after the meeting.
- iii. Once approved, minutes should be circulated to all other members of the Company's Board of Directors and shall be taken on record in the immediately subsequent meeting of the Company's board of Directors.

10. CSR Expenditure:

- a) The Company, in every Financial Year, shall endeavor to spend such feasible amount as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned CSR Expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years.
- b) The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
 - i. Identified CSR Projects
 - ii. CSR expenditure
 - iii. Implementation Schedules
- c) Total expenditure in the CSR Annual Action Plan shall be approved by the Board upon recommendation by the CSR Committee
- d) At the time of CSR expenditure preference will be given to the Local areas around it where it operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- e) Average Net Profit shall be calculated in accordance with the provision of Section 198 of the Companies Act, 2013.

11. CSR ACTIVITIES

The Company shall undertake its CSR Activities as per CSR policy of the company in the areas covered under Schedule VII to The Companies Act, 2013 as amended from time-to-time.

12. IMPLEMENTATION OF CSR ACTIVITIES:

The Social Responsibility Initiative of the Company shall be implemented either directly or through Balaji Sewartha Vinod Agarwal Foundation, which may implement the CSR programs/projects of the Company either on its own or it may appoint another trust, society or Section 8 company for the purpose of

implementing CSR activities on behalf of Balaji Sewarth Vinod Agarwal Foundation /Company as may be considered appropriate. Provided, the recipient organization is eligible to receive CSR funds under the Act i.e. registered as a trust, society, or Section 8 company and must have a track record of undertaking similar activities and is eligible to undertake CSR activities in compliance with the Act, and the Rules made thereunder and such amount is properly documented and utilized for the intended purpose.

13. MONITORING, EVALUATION AND REPORTING:

Regular update on the CSR initiatives undertaken and/ or to be undertaken shall be given to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the Project.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

The Company shall include an annual report on CSR containing particulars specified in Companies (CSR) Rules, 2014.

Company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be

annexed to the annual report.

14. REVIEW PERIODICITY AND AMENDMENT:

CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit.

15. UTILIZATION OF FUND:

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

16. IDENTIFICATION OF CSR PROJECTS:

CSR Projects need to be identified and planned for approval of the CSR Committee, in particular in Thrust Areas, with estimated expenditure and phase wise implementation schedules.

17. GENERAL

- a) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company 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.
- b) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 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.

- ii. the Board of the company shall pass a resolution to that effect.
- c) The CSR amount may be spent by a company for creation or acquisition of a capital asset.
- d) All the expenditure incurred towards the CSR Activities shall be diligently documented.
- e) In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee. In all such matters, the decision of the CSR Committee shall be final.
- f) Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.
- g) CSR Audit will be conducted on Quarterly basis by the Statutory Auditor of the Company.

FOR AD-MANUM FINANCE LIMITED

***SD/-
DHARMENDRA AGRAWAL
WHOLE-TIME DIRECTOR
DIN: 08390936***