

JRG FINCORP LIMITED

**CORPORATE
SOCIAL
RESPONSIBILITY POLICY**

1. Introduction

JRG Fincorp Ltd is a Non Banking Financial Company which was incorporated on 6th September 2007. Its registered office is situated at JRG House, XXXVI-203, J J Complex, Dairy Methanam Road, Edapally, Kochi, Kerala-682024. It is registered with RBI vide Certificate of Registration No. N-16.00181 dated 4th February 2008 issued by the Regional Office at Trivandrum. JRG Fincorp Ltd is a subsidiary of Inditrade Capital Ltd (formerly known as JRG Securities Ltd).

2. Corporate Social Responsibility Committee

The Ministry of Corporate Affairs had notified Section 135 and Schedule VII under Companies Act 2013 (the Act), along with the provisions of the Rules which had come into effect from 1st April 2014. Pursuant to the provisions of Section 135 of the Companies Act, 2013 and Corporate Social Responsibility Rules, 2014 made thereof, every Company who during any of the 3 previous financial years has:

- a. Turnover of Rs. 1000 crores or more or
- b. Net worth of Rs. 500 crores or more or
- c. Net profit of Rs. 5 crores or more

is required to constitute a Corporate Social Responsibility Committee (hereinafter referred to as 'CSR Committee') which shall frame and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 or any amendment from time to time. As the Net profit of the Company during the financial year 2014-2015 has exceeded the statutory limit of Rs. 5 crores, Section 135 and Schedule VII under Companies Act 2013 is applicable to the Company. The Company is obliged to spend 2% of the Average Net Profit (PBT) of 3 immediately preceding financial years of the Company on CSR as per the Act.

For the proper management of CSR activities of Company & smooth functioning, the Company has constituted a "CSR Committee" consisting of following members:-

1. Mr.P Viswanathan (Independent Director)
2. Mr. B R Menon (Independent Director)
3. Mr. Munish Dayal (Director)

3. CSR Objectives

The Company has developed a CSR Policy in alignment with its objective, principles and values, for delineating its responsibility as a socially and environmentally responsible corporate citizen. The Policy lays down the principles and mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act 2013.

The Policy shall apply to all the CSR programs and activities undertaken by the Company at various locations for the benefit of diverse sectors of the society.

The main objective of the Company is to fully comply with all regulatory compliances and to focus on providing best-in-class services to the customers, society, environment and improving the quality of life of the communities.

4. CSR Focus Areas and Programs

The Company's focus areas for developmental activities will be in urban as well as rural areas in the states in which it is located. The company may also support initiatives in other geographies, as approved by the CSR Committee and the Board, from time to time.

The Company's CSR will focus on the activities (but not limited to) as specified in Schedule VII of the Companies Act, 2013 which may be undertaken by the Company.

The Company's Corporate Social Responsibility activities may relate to the following:-

- I. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- II. promotion of education including special education and employment enhancing vocational skills especially to 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 centers 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 arts 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. 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;
- IX. contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
- X. rural development projects.

5. Delivery Mechanism

Whilst a large part of the CSR efforts of the Company will be implemented by an in-house CSR department, the company may also partner with credible organizations – individually or as a consortium – to design, fund, implement and review projects. Partner agencies will be selected based on well-defined selection criteria which may include their credibility, experience and their reputation.

6. Review of Policy

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.

7. CSR Expenditure

The Company shall spend atleast 2% of average Net Profit of preceding three financial years in CSR activities, net profit will be calculated in accordance with section 198 of the Companies Act, 2013. The CSR expenditure shall include all expenditure including contribution to corpus, the projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee, but does not include any expenditure on any item which fall outside the purview of Schedule VII of the Act.

8. Corporate Social Responsibility (CSR) Reporting

The Board's report of a Company shall include an annual report on Corporate Social Responsibility containing particulars of the CSR Activities in the manner as specified in Corporate Social Responsibility Rules, 2014. The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the Company and disclose the contents of such policy in its report and the same shall be displayed on the Company's website in the manner as specified in Corporate Social Responsibility Rules, 2014.

9. Conclusion

Through the CSR rules, the Company aims at reaching and supporting a wider section of people that require timely help and assistance. The Company strives to meet the needs of the citizens and communities.