

AVANSE FINANCIAL SERVICES LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Version I – October 2017

Preamble

The Policy outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking Corporate Social Responsibility (CSR) activities for welfare and sustainable development of the community at large.

This policy shall apply to all CSR initiatives and activities taken up at the various location of the Company for the benefit of different segments of the society.

CSR Objectives

To attain its CSR objectives in a professional manner and integrated manner, the main objectives are:

To promote, carry out, support activities relating to:

Education and Training including in Science and Technology, Humanities etc; Healthcare; Welfare of Children, Women, Senior Citizens, and Differently Abled Persons; Employment enhancing Vocational skills; Sanitation; Water management; Agriculture; Horticulture; promotion of Culture; Art & Craft; Conservation of Natural Resources; Promotion and development of traditional Arts & Handicrafts; Employment Generation; Environment Sustainability; Science & Technology; Rural Development; Animal Welfare; welfare and development measures towards reducing inequalities faced by Socially and Economically Backward groups; and such activities may include establishing, supporting and / or granting aid to institutions engaged in any of the activities referred to above.

To conduct and support studies & research; publish and support literature, publications & promotion material; conduct and support discussions, lectures, workshops & Seminar in any of the areas covered above.

To promote, carry out, support any activities covered in Schedule VII to the Companies Act, 2013, as amended from time to time.

Projects or Programs

Various activities may be undertaken on the basis of objectives as set out herein as projects or programs.

Such projects or programs may be undertaken through a registered trust or registered society or a company established by the Company or by its holding or subsidiary Company or associate company or through such agencies with established track record of at least three financial years.

Composition of CSR Committee

The Company has a duly constituted CSR Committee in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

The Committee shall be empowered to select programs in line with the objectives of the CSR Policy.

Terms of Reference

Terms of reference of the CSR Committee, inter alia, shall include the following:

- To frame and review CSR Policy;
- To recommend the amount of expenditure to be incurred on the activities as identified for CSR of the Company;
- To oversee the implementation of CSR projects/programs/activities;
- To delegate authority to any employee(s) of the Company.

Budget

The Company to spend 2% of the Average Net Profits made in the immediately preceding 3 (three) financial years on Corporate Social Responsibility (CSR). Net Profit shall be calculated as per the provisions of Companies Act, 2013 or such other legislation as may be applicable from time to time.

CSR expenditure

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.

Surplus arising out of CSR activities

Any surpluses arising out of CSR projects or programmes or activities shall not form part of the business profits of the Company.

Monitoring Mechanism

- CSR Committee shall meet at regular intervals to discuss, review and monitor the CSR activities of the Company.
- CSR Committee shall ensure that the projects/programs/activities that are undertaken by the Company are in compliance with the various applicable laws.

General

The Board of Directors shall have the right to modify or change the policy from time to time as per the requirement of the applicable laws or as the Board of Directors may be deem fit.