

Corporate Social Responsibility (CSR) Policy

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Mahindra Insurance Brokers Limited Corporate Social Responsibility (CSR) Policy

At Mahindra Insurance Brokers Limited ('MIBL' or 'The Company') we sincerely believe that the actions of the organization and its community are highly inter-dependent. Both on its own and as part of the Mahindra Group, through constant and collaborative interactions with our external stakeholders, MIBL strives to become an asset in the communities where it operates.



1. Objective of CSR Policy

The objective of this Policy is to continuously and consistently:

- Define and lay down the guiding principles and strategies implementing Company's CSR initiatives;
- Outline our Board's vision and approach for undertaking CSR and creating impact in the communities;
- Encourage an increased commitment and engagement from employees towards CSR.

2. Policy Guidelines

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013.
- CSR projects or programmes or interventions (except training of Indian Sports Personnel representing any State or Union territory at national level or India at international level) must be undertaken in India.
- The Company may take help of International Organizations in designing, monitoring, and evaluating its CSR Projects, and in assisting with capacity building of its personnel. However, it is clarified that such organizations cannot take the responsibility of actual implementation of the CSR initiatives.
- CSR projects or programmes must not include the initiatives undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or Interventions that benefit only the employees of the Company shall not be considered as CSR.
- CSR interventions should be in project/programme mode. One-off events such as marathons/awards/charitable contribution/advertisement/sponsorship of TV programmes etc. and any other sponsorship activity deriving marketing benefits for the company's products or services will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.
- Activities carried out for fulfillment of any other statutory obligations under any law in force in India will not qualify towards CSR requirements.

3. Scope and Applicability

This Policy shall be applicable to all CSR initiatives undertaken by the Company in pursuance of the requirements of Section 135 and Schedule VII of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force).



4. Mission

Driving positive impact in communities.

5. CSR Thrust Areas

- Education & Livelihood
 - Promoting education, including special education, financial literacy and employment enhancing vocation skills especially among children, youth, adults, women, elderly and the differently-abled and livelihood enhancement projects.
- Health
 - Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- Environment
 - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, Tree Plantation, conservation of natural resources and maintaining quality of soil, air and water etc.
- Others
 - From time to time, the Company may identify newer Thrust Areas to the above list, in so far as such activities are as defined in Schedule VII of the Companies Act, 2013, as amended, from time to time.
 - While undertaking CSR projects / programs the Company will ensure that CSR initiatives are aligned with national priorities.

6. Governance Structure

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.





6.1 Role of the Board of Directors

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.
- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- Ensure that the activities as are included in CSR Policy of the company are undertaken by the company.
- Ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance, of its CSR Policy.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount and deal with the unspent amount in the manners as specified in Second Proviso of Section 135(5) and Section 135(6) of the Companies Act, 2013.
- Ensure that the Company, treats the CSR Spends i.e. CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- Satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and to seek certification to this effect from the Chief Financial Officer or the person responsible for financial management
- Approve and monitor the implementation of an on-going multi-year project and extend the duration for spending beyond one year based on reasonable justification
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.



6.2 Composition of CSR Committee

The CSR Committee of the Board of Directors comprises the following Members:

Name	Designation
1) Mr. Rajeev Dubey	Chairman
2) Mr. Ramesh Iyer	Director
3) Ms. Anjali Raina	Independent Director

The Board shall reconstitute the CSR Committee as and when required *inter alia*, to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements.

6.3 Composition of CSR Secretariat:

Role / Designation
Managing Director
CFO
Head HR
Admin In-charge / CSR SPOC

6.4 Role of the CSR Committee

The Corporate Social Responsibility Committee of the Board ('CSR Committee') is responsible for formulating and recommending the CSR Policy, an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken to the Board, recommending the amount of expenditure to be incurred on CSR activities and monitoring of the CSR Policy from time to time.

6.5 Role of the CSR Implementation Secretariat

The amount to be spent for CSR Projects shall be recommended to the CSR Committee by the CSR Implementation Secretariat for execution of the approved projects.

The CSR Committee will guide the CSR Implementation Secretariat for effective execution.



7. Funding and Allocation

For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will recommend to the Board its Annual CSR Budget, 2% of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The Company may spend up to 5% of the total CSR expenditure in one financial year on building CSR capabilities and other general and administrative overheads.

For an ongoing project, if any amount budgeted to be spent for the year remains unspent, then such an unspent amount will be transferred to the Unspent Corporate Social Responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year for spending in any of the three succeeding financial years, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

In case of no ongoing projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

The Company may spend CSR amount for creation and acquisition of capital assets which shall be held by (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or (c) a public authority.

8. Implementation.

- The CSR expenditure of the Company can be incurred in multiple modes:
 - 'Activities route' under which CSR Programmes will be implemented through (i) Company personnel, or (ii) external implementing agencies as prescribed in



Companies(CSR Policy) Rules 2014 or (iii) Mahindra Finance CSR Foundation (incorporated on 2nd April 2019) as a wholly owned subsidiary company registered under Section 8 of the Companies Act, 2013, and (iv) such other Trusts, Societies, Foundations and Section 8 companies that may be established by the Company from time to time.

- 'Contribution to funds route' under which contributions will be made to various funds as specified in Schedule VII of the Act.
 - Contribution to incubators and R&D projects, as specified in item (ix)(a) and contribution to institutes/organisations, engaged in research and development activity, as specified under item (ix)(b) of Schedule VII of the Act.
- The CSR Committee shall provide guidance on the allocation of the CSR budget among the thrust areas on an annual basis and seek approval from the Board.
 - The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.
 - The Company will encourage and recognize its employees for volunteering with the spirit of serving and sharing with the community.
 - The Company shall endeavor to increase employee participation at all levels in the Organization, by encouraging employees to participate in the Company's CSR initiatives.

9. Monitoring process of CSR Interventions

- The Company will regularly monitor the ongoing CSR projects to ensure that the outcomes intended are achieved as per timelines.
- Employees of the Company who form the CSR Secretariat, will obtain progress reports on periodic basis, undertake field visits and/or review calls to monitor the project progress
- The Company will undertake impact assessment, through an independent agency, only in case of total CSR budget is more than 10 Crore, of any project having outlay 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 will be placed before the Board and annexed to the annual report on CSR as per the latest formats of Ministry of Corporate Affairs for Director's Reports.
- Annual report on CSR activities will be included in the Board's report for each financial year as per format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and CSR Form 2 will be furnished to the MCA. CSR Committee Composition, CSR policy and overview of CSR projects of the Company will be available on the official website of the Company.
- The fund utilization made in projects as approved by the Board, will be certified by the Chief Financial Officer of the Company.



10. Criteria for identifying Non-Governmental Organizations (NGOs)

CSR initiatives will be implemented either directly by the Company through its ESOPs structure where the MIBL employees will directly implement the CSR interventions or through implementing agencies (NGOs). The implementing agencies being considered for a partnership will need to comply with the following criteria:

- The NGO can be a company established by the Company either singly or along with any other company and can be a company established under Section 8 of the Companies Act, 2013 / Registered Public Trust / Registered Society with a registration under Section 12A and Section 80G of the Income Tax Act, 1961, or
- The NGO can be a company registered under Section 8 of the Companies Act, 2013 / Registered Public Trust / Registered Society with a registration under Section 12A and Section 80G of the Income Tax Act, 1961 and with an established track record of at least 3 years, or
- The NGO can be an entity established under the act of Parliament or State Legislature, or
- The NGO can be an entity established by the Central or State Government,
- The NGO / Agency will need to have a permanent office in India;

All implementing partners sufficing any of the above-mentioned conditions, will need to register themselves with the Central Government by filing e-form CSR-1 electronically and obtain a unique CSR Registration Number from the MCA.

The Company may also collaborate with other companies to undertake CSR Projects or Programs, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programs.

A background check / due diligence will be carried out for the organization(s) that Mahindra Insurance Proposes to partner with for implementing CSR projects(s). this check is aimed at ensuring long term viability for the partnership and to minimize risks for Mahindra Insurance.

11. Definitions

- **Company** means Mahindra Insurance Brokers Limited ('MIBL').
- **Act** means the Companies Act, 2013, as amended from time to time.
- **CSR Rules** means Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time to time.
- **Board** means Board of Directors of the Company.
- **CSR Project/Program** means the interventions undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act.



- **CSR Committee** means the Corporate Social Responsibility Committee constituted by the Board of Directors pursuant to Section 135 of the Companies Act, 2013.
- **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely: -
 - Any profit arising from any overseas branch or branches of the Company whether operated as a separate company or otherwise; and
 - Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act 2013.
- **Policy** means this Corporate Social Responsibility Policy, as may be amended from time to time.
- **Administrative overheads** mean 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, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- **Ongoing Project** means a multi-year project undertaken by the Company in fulfillment 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 of Directors based on reasonable justification.
- **International Organisation** means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply.



Nikhil Save
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Vedanarayanan Sheshadri
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Date - 30th December 2022

