

Club Millionaire®

CORPORATE SOCIAL RESPONSIBILITY(CSR) POLICY

Club Millionaire Financial Services Pvt. Ltd.

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1. INTRODUCTION

The Ministry of Corporate Affairs, Government of India notified Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility.

Corporate Social Responsibility (CSR) is Company's commitment to its stakeholders for a common social goal that demonstrates its commitments by adoption of appropriate strategies and projects especially to align with the business of the Company in an economically, socially and environmentally sustainable manner.

As per the provisions of Section 135 (1) of the Companies Act, 2013 the companies having Net worth of Rs. 500 crore or more; or Turnover of Rs. 1000 crore or more; or Net Profit of Rs. 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee" with effect from 1st April, 2014.

2. OBJECTIVE OF CSR POLICY

- To contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.
- To sustain and continuously improve standards of Environment, Health and Safety through the collective endeavour of your Company and its employees at all levels towards attaining world class standards and support other programmes and initiatives, internal or external, for the prevention of illness and combating of diseases as may be considered appropriate from time to time.

Corporate Social Responsibility of Clubmillionaire Financial Services Private Limited is a form of corporate self-regulation integrated into a business model. Therefore, the policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

3. GOVERNANCE STRUCTURE

The Board of Directors of Clubmillionaire Financial Services Private Limited shall oversee the CSR activities of the company through the CSR Committee. The CSR Committee shall administer via the CSR Team of Clubmillionaire Financial Services Private Limited.

To ensure that our CSR initiatives are driven by the causes our team values most, the CSR committee encourages the team to suggest their preferred foundations. The committee after review, approves the proposed initiatives, from the recommended areas for utilization of the funds designated for Corporate Social Responsibility activities. This process ensures that our CSR initiatives are in alignment with the values and priorities of our team, and are directed towards causes that resonate most with them.

The overall accountability shall be of on Board of Directors. The Board of Directors shall primarily monitor the alignment of the activities with the company's mission and vision and maintain transparency.

4. COMMITTEE OF CSR

The Corporate Social Responsibility Committee (CSR Committee) is the governing team that will frame the scope of CSR activities of the Company and ensure compliance with the approved CSR Policy.

Pursuant to Section 135 of the Companies Act 2013, a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one Director shall be an Independent Director.

Provided that where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more Directors.

In accordance with the provisions of the Companies Act 2013, the Board of Directors of Clubmillionaire has constituted a Committee of Directors called CSR Committee with the following members:

Name	Designation	DIN
PARESH GIRISHCHANDRA SANGANI	Chairman	01746597
SHIVANI SANGANI SHAH	Member	00426503

The committee will meet at least once in a year.

5. ROLE OF CSR COMMITTEE

The role of CSR Committee is;

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Section 135 of the Companies Act 2013.
- To recommend the amount of expenditure to be incurred on the specified activities in a financial year
- To monitor the Corporate Social Responsibility Policy of the company from time to time.
- To recommend the Board on the guiding principles for selection, implementation and monitoring of CSR activities.
- To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR policy.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

6. ROLE OF BOARD OF DIRECTORS

- The Board shall constitute a CSR Committee consisting of two Directors.
- Approve CSR policy of the company
- Disclose the contents of the Company CSR Policy in the Report of the Board Directors.
- Ensure placing of the contents of the CSR Policy on the website of the Company.
- Ensure that CSR policy is implemented.
- Disclose the composition of CSR Committee in the Report of Board of Directors.
- Disclose about the CSR policy and its implementation in Report of the Board of Directors.
- The Board of Directors shall endeavour that the Company spends 2% of the average pre-tax net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

7. ACTIVITIES UNDER CSR

Areas of Activities:

The broad areas of CSR initiatives to be extended by the Company are;

- Eradicating hunger, poverty and malnutrition [promoting health care including preventive health care] and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].
- 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 art and handicrafts;
- measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
- rural development projects;
- slum area development;
- disaster management, including relief, rehabilitation and reconstruction activities.

8. EXCLUSIONS

Corporate Social Responsibility (CSR) means the activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in the CSR Rules, but shall not include the following, namely: -

- Activities undertaken in pursuance of normal course of business of the Company;
- 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;
- Contribution of any amount directly or indirectly to any political party;
- Activities benefitting only the employees of the company and their families;
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

9. FUNDING & ALLOCATION

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on projects / activities as laid down in this Policy.

Any surplus funds arising out of CSR projects or programs or activities shall not form part of the business of the Company. The CSR Committee may recommend for approval of the Board, schemes for utilizing such funds for CSR activities

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on recommendation of its CSR Committee, but do not include any expenditure on item not in conformity or not in line with the activities fall within the purview of Schedule VII of the Act.

In case the project is not an 'on – going' project

Transfer such unspent amount to the below mentioned Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- Prime minister's national relief fund;
- Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund; and
- Clean Ganga Fund

In case the project is or is to be considered as 'Ongoing project'

- Pass a Board Resolution to approve the project as 'on-going' if it has not been already identified as an ongoing project;
- Open an 'Unspent CSR bank account' and transfer the amount which is unspent/ unutilized on the approved CSR project within a period of 30 days from the end of the Financial Year;
- Ensure completion of the project within 3 years from the date of such transfer to the 'unspent CSR bank account' of the Company.

Any amount spent in excess of requirement provided under the Companies Act, such excess amount may be set off against the requirement to spend 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;
- (ii) the Board of the Company shall pass a resolution to that effect.

10. MONITORING AND EVALUATION

To ensure effective implementation of the CSR programmes undertaken at various locations, a monitoring and evaluation mechanism will be put in place.

The progress of CSR programmes under implementation at various locations will be reported to registered office on a periodical basis.

Project locations will try to obtain feedback from beneficiaries about the programmes implemented at the area.

CSR initiatives of the Company will be reported in the Annual Report & the Board's Report in compliance with Section 135 of the Act and rules made thereunder.

11. CSR REPORTING

The Board's Report of a company pertaining to any financial year shall include an annual report on CSR. CSR Policy shall be displayed on the Company's website.

12. ACCOUNTING AND AUDITING

The Company will follow the accounting and auditing Guiding note/standards duly approved/laid down by the Ministry of Corporate Affairs in India or by the prescribed regulatory authority.

13. AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.
