

# ORBIS FINANCIAL CORPORATION LIMITED

## CORPORATE SOCIAL RESPONSIBILITY POLICY

*[The CSR Committee and this Policy is in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.]*

### **Introduction:**

In pursuance of the requirements laid down under Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the “CSR Rules”) issued by the Ministry of Corporate Affairs (“MCA”), Government of India, the CSR Committee of the Board of Directors had drafted a CSR Policy, which is subject to approval of the Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy shall have the same meaning defined in the Companies Act, 2013 (as may be amended from time to time) respectively assigned to them therein.

The following policy has been formulated by the CSR Committee and adopted by the Board of Directors at its meeting held on July 19, 2019.

**Objective and Purpose of the Policy:** The CSR Policy relates to the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act 2013 and the expenditure thereon, excluding activities undertaken in pursuance of normal course of action of business of the Company. Detailed Objectives as below:

- To lay down criteria and terms and conditions with regard to identifying CSR Projects or Programs or activities which fall under the purview of the Schedule VII of the Companies Act 2013, specifying the modalities of execution of such project, programs and activities and implementation schedule of the same;
- To ensure that the surplus arising out of the CSR Projects or programs or activities do not form part of the business profit of the Company and that it is used for CSR Activities only.
- To devise a monitoring process to review overall such projects or programs or activities undertaken by the Company.

### **Effective Date:**

This policy shall be effective from date of the Board meeting on which it was approved.

### **Constitution of the CSR Committee:**

The CSR Committee shall consist of three or more directors. The Company is exempted from appointment of Independent director under section 149 (4) of the Companies Act 2013 because of its wholly owned subsidiary status, however the Company may appoint an Independent Director as a Corporate Governance measure.

The Board has the power to reconstitute the Committee consistent with the Company’s policy and applicable statutory requirement.

### **General**

- This Policy is divided in two parts: Part – A Scope of CSR Activities at ORBIS; Part – B covers Governance Structure for CSR Activities; CSR Budget, Monitoring and reporting.
- The key features of this Company’s policy shall be included in the Board’s Report.

## **PART – A**

### **1. SCOPE OF CSR ACTIVITIES AT ORBIS:**

Activities which are over and above normal course of business at Orbis are CSR Activities. This policy applies to all our CSR projects. On a periodic basis this policy will be reviewed and updated in line with relevant codes of corporate governance, international standards and best practices. Furthermore, the policy also fulfils the requirements of the CSR rules as per the Section 135 of the Companies Act, 2013.

#### **1.1 Normal Course of Business:**

The Company has a significant presence in various businesses under Financial Services wherein the Company is registered with the Securities and Exchange Board of India (SEBI) as Custodian of Securities and Registrar and Share Transfer Agents; as Debenture Trustee through its associate Company and is a Depository Participant with both the depositories, NSDL and CDSL. While these businesses seem diverse, they are unified in that.

### **2. FOCUS AREAS FOR CSR:**

**A. WOMEN EMPOWERMENT & FINANCIAL LITERACY:** Provide avenues/streams for women to enhance their financial literacy by way of organizing financial literacy camps, sponsoring women candidates for National Institute of Securities Markets (NISM) Certificate Courses and various Certification courses in Banking, Financial Services and Insurance (BFSI) Sector.

By way of organizing Vocational Training and Skill Development Camps and/or funding such camps, upskill women by enabling them to learn new crafts and methods.

**B. EDUCATION:** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

**C. GREEN INDIA:** 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.

Over and above the three focused goals, the Company may from time to time undertake additional CSR activities under Schedule VII of the Companies Act 2013, such detailed below:

#### **2.1 ACTIVITIES THAT THE COMPANY IS AUTHORISED TO UNDERTAKE AS CSR ACTIVITIES IN ACCORDANCE WITH SCHEDULE VII OF THE COMPANIES ACT 2013:-**

- 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;
- Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- Contribution to the prime minister's national relief 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;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt;
- Rural development projects;
- Slum area development. For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- Disaster management, including relief, rehabilitation and reconstruction activities.

## **PART – B**

### **3. GOVERNANCE STRUCTURE**

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.

The CSR governance structure of ORBIS will be headed by the Board-level CSR committee. This committee will report to the Board of the Company. The Company Secretary will serve as the Secretary of the CSR Committee

#### **Responsibilities of the Committee**

- Formulate and update the Company's CSR Policy, and have it approved by the Board;
- Suggest areas of intervention to the Board;
- Approve projects that are in line with the CSR Policy;
- Put monitoring mechanism in place to track the progress of each project;
- Recommend the CSR budget and expenditures to the Board of Orbis, for approval and;
- Meet once a year to review the progress made.
- Ensure the Annual Report is as per prescribed format.

#### **4. CSR BUDGET**

The CSR Committee will recommend the annual budget in accordance with Section 135 of the Companies Act 2013, to the Board for its consideration and approval.

#### **5. IMPLEMENTATION**

The Company's CSR programmes will be identified and implemented according to the Board's approved CSR policy. The Company will design a monitoring and evaluation mechanism so as to ensure every programme has:

- I. clearly defined objectives (developed out of existing societal needs determined through baselines/studies/research), targets and time lines.
- II. a robust progress monitoring system
- III. impact assessments
- IV. a reporting framework and system in alignment with the Act and Rules.

The company will implement its CSR programs through Eligible Trusts as decided by Board from time to time. The thematic areas (Women Empowerment and Financial Literacy and Education) will be implemented by **Humanity & Us Foundation**.

#### **6. REPORTING**

The Board-level CSR committee, based on reports presented by the Implementing Committee, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013.

#### **7. PARTNER QUALIFICATIONS**

If a third party is employed to carry out the implementation of our CSR projects, the Board of Orbis will ensure that they have a clearly explained mission/vision and an established track record of three years in undertaking similar projects or programmes. The implementation agencies should be able to produce their registration forms according to 80G/12A and other documents as may be required.

#### **8. TREATMENT OF SURPLUSES**

Any surplus generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus. These funds will be further used in development of the CSR projects and will not be added to the normal business profits.

#### **9. AMENDMENTS TO THE POLICY**

The Board of Directors on its own can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.