

PREFACE:-

Corporate Social Responsibility (CSR) serves as the channel through which corporations fulfill their obligations to society by providing resources in diverse ways to ensure effective business operations. CSR is intimately linked to the principles of sustainability, advocating for organizations to take into account not just financial and operational factors but also the social and environmental consequences of their choices and decisions.

MAG Finserv Company Limited (“the Company”) recognizes this crucial duty and strive to uphold its corporate principles by embracing social and environmental accountability, all while placing the well-being of our stakeholders at the forefront of our growth journey.

VISION & MISSION

VISION:

Our CSR Vision embodies our long-term aspirations and commitment to creating a positive and sustainable impact on society. It is a reflection of our core values and the role we envision playing in the communities we serve.

MISSION:

Our CSR Mission outlines the specific steps and actions we undertake to realize our vision. It serves as our roadmap for implementing socially responsible initiatives and achieving our broader societal goals. It encompasses the strategies and principles that guide our efforts in contributing to the betterment of society.

In essence, our CSR Vision inspires us, and our Mission guides us in making meaningful and lasting contributions to the well-being of our communities, environment, and stakeholders. Together, they drive our dedication to corporate social responsibility and shape our actions for a better, more sustainable future.

GOVERNANCE

This CSR policy ("Policy") has prepared in alignment with its objective, principles and values, its responsibility as a socially and environmentally responsible corporate citizen. This Policy lays down the principles and mechanisms for undertaking programs in accordance with the requirements provided under Section 135 of The Companies Act 2013, read with Schedule VII to the Companies Act 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 along with subsequent amendments and Gazette notifications (together referred as 'Legal Provisions').

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged.

Governance Structure:

A governance structure is responsible for implementing and administering CSR Policy.

CSR Committee

The Corporate Social Responsibility (CSR) Committee of the Company shall be constituted in accordance with the applicable laws. The CSR Committee shall be responsible for initiating, monitoring, recommending and reviewing CSR activities of the Company undertaken by it from time to time. The Company has constituted a CSR Committee at the Board level. The Committee shall assist the Board in the overall governance of the Policy and the CSR Programs pursuant thereto. The CSR Committee shall work under the superintendence and control of the Board.

a. Constitution Of CSR Committee

The Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee.

The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least 3 or more directors, out of which at least one director must be an independent director. The Board may change the composition of the CSR Committee from time to time in such manner as it thinks fit and as required under the

CSR Regulations. The first CSR Committee of the Company shall be comprised of the following Directors:

Sr. No.	Name of Members	Nature of Directorship	Designation of Members in CSR Committee
1.	Mr. Ananta Ganpatrao Mohotkar	Managing Director	Chairman
2.	Mr. Ameya Dilip Tambekar	Director	Member
3.	Mr. Harikumar Ranganathan	Independent Director	Member

b. Functions of CSR Committee

The Corporate Social Responsibility Committee shall-

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in collaboration with other company or any other entity as specified in Schedule VII;
- (b) To recommend the amount of expenditure to be incurred on the CSR activities
- (c) To monitor and amend the Corporate Social Responsibility Policy of the Company from time to time as may be required;
- (d) To carry out any other function as mandated by the Board from time to time.

The CSR Committee shall decide the CSR programs and initiatives for each financial year and accordingly recommend the agenda to the Board of Directors. The CSR agenda for the financial year shall indicate the activities to be undertaken for the financial year and the expenditure to be incurred on the CSR programs and initiatives.

c. Meetings of CSR Committee

1. For smooth functioning of the Committee, the members shall meet to discuss such matters and to take such decisions as may be necessary;
2. The CSR Committee shall hold a minimum number of four meetings in a financial year;
3. The quorum for the CSR Committee Meeting shall be one-third of its total strength of directors or two members, whichever is higher;

4. The membership of the CSR Committee shall be disclosed in the Board Report;
5. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

d. CSR Spending

1. The Company may, in every financial year, spend such amounts on its CSR activities as the CSR Committee may authorize from time to time subject to the limits as approved by the Board, provided that the Board shall ensure that the CSR expenditure is compliant with the CSR Regulations.
2. The Company shall undertake CSR spending in accordance with the CSR Regulations, as amended from time to time.

e. Amount of expenditure to be incurred on the CSR activities

1. The Company will endeavour to spend the following amounts for CSR activities in pursuance of this Policy:
 - (i) In every financial year, at least two (2%) percent of the 'average net profits' of the Company made during the three immediately preceding financial years. The 'average net profits' shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and the rules made thereunder from time to time.
 - (ii) Any income arising from the activities mentioned above.
 - (iii) Surplus arising out of CSR activities.
2. Contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013, SHALL NOT BE considered as CSR activities.
3. Amount spent on CSR activities 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, but will not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.
4. The CSR Committee will approve the expenditure on CSR activities within monetary limits sanctioned by the Board for such activities.

Any CSR fund remaining unspent at the end of any financial year and relates to any ongoing project undertaken by a company in pursuance of its CSR Policy, shall be transferred by the company within a period of thirty days from the end of the financial

year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, 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.

f. Monitoring Process

1. The Committee shall monitor periodically the implementation and execution of the projects/ programs/ activities under CSR policy and to ensure compliance of the provisions related to CSR mentioned in the Companies Act, 2013 and rules made thereunder from time to time and report the same to the Board of Directors on a regular basis.
2. The Committee shall on completion of every Financial Year, submit to the Board, details of the CSR spent during the Financial Year and reasons for the actual spent being less than the limits prescribed by the law, if any.
3. The report on CSR shall form part of Boards' Report (Directors' Report) of the Company.
4. The Committee shall recommend changes/modifications to be carried out in the policy to the Board from time to time.

g. Role of Board

The role and responsibility of the Board shall include:

1. Approval of CSR policy after taking into account recommendations of the CSR Committee.
2. Reporting in the Board's Report brief outline of this CSR policy including overview of projects or programs, composition of CSR Committee, average net profits of the Company for the last three financial years and prescribed CSR expenditure as required under the Companies Act, 2013 and rules made thereunder along with
 - i. the total amount spent on CSR activities in the financial year and
 - ii. amount unspent, if any.
3. Ensure that the CSR activities are undertaken and executed by the Company as per this CSR policy and the applicable laws.

h. CSR Activities

The Company may undertake any of the following activities as its CSR activities:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and including health care and sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. 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;
6. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
7. 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;
8. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
9. Rural development Projects;
10. Slum area development;
11. Such other activity as may be thought fit by the CSR Committee and approved by the Board and as may be prescribed under applicable statute and as may be amended from time to time.