CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

OVERVIEW

Janak Merchant Securities Private Limited (hereinafter referred as "Company") thrives in making a positive difference in the areas of socio – economic development of the less privileged communities and other stakeholders, by being a responsible business entity through adoption of appropriate business processes and strategies and by carrying out various initiatives towards its social obligations towards society.

The focus of CSR activities of Company has been on Education, R&D, Environment and Health, Eradication of poverty, uplifting of living of poor, helping old age peoples & orphans, Women empowerment, helping the widows of the soldiers of Indian Army, Promotion of scientific activity, Social service etc. with the intention of integrating these objectives with those of the operations and growth of the Company.

In addition to undertaking direct CSR activities, the Company has a philosophy of built-in, self-regulating mechanism whereby it monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms.

CSR Committee

The Company is not required to form a CSR Committee since its CSR expenditure is below fifty lakh rupees. The Board of Directors of the Company are responsible for discharging CSR functions and responsibilities. For the purpose of this policy and discharge of functions under Section 135 of the Companies Act, 2013, hereinafter Board of Directors is referred to as CSR committee of the Company.

Sr. No.	Name of Director	Designation / Nature of Directorship
1.	JAIDEEP JANAK MERCHANT	Whole Time Director
2	SAHER JAIDEEP MERCHANT	Director

Janak Merchant Securities Pvt. Ltd. Pune

MEETINGS FOR CSR

The Board shall meet as and when required to review CSR matters. The meetings may be held either in person or through video conferencing or other audio-visual means, in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

Powers and Functions Relating to CSR

Board of Directors shall discharge all functions of the CSR Committee.

Accordingly, the Board shall exercise the following powers and functions in relation to the Company's CSR activities:

1. To formulate and/or amend the CSR Policy and recommend the same for adoption by the Board of Directors.
2. To identify and recommend CSR activities or projects in line with the areas specified under Schedule VII of the Companies Act, 2013.
3. To approve and undertake CSR activities in collaboration with group companies, other companies, firms, or NGOs, and to ensure that such collaborations are reported in accordance with the CSR Rules.
4. To recommend the CSR budget to the Board for approval.
5. To ensure spending of the allocated CSR amount on approved CSR activities in accordance with the provisions of the Act and CSR Rules, either directly or through eligible implementing agencies or trusts.
6. To establish a transparent monitoring mechanism for effective implementation of CSR initiatives.
7. To review and submit reports to the Board in respect of CSR activities undertaken and progress made during the year.
8. To periodically monitor the implementation of the CSR Policy and ensure alignment with applicable legal provisions.
9. To oversee and evaluate the performance of persons or agencies authorized to execute CSR activities on behalf of the Company.
10. To delegate authority to executives or officers of the Company to assist in execution, coordination, and monitoring of CSR initiatives, as may be deemed appropriate.

Janak Merchant Securities Pvt. Ltd. * Pune

CSR BUDGET/CSR SPEND

- It will be the Company's endeavour to spend in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR Programmes in pursuance of this Policy.
- These CSR initiatives may be carried out through various programs / projects, preferably which are located / operate from the vicinity of the various locations of the company's offices.
- The CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the CSR Plan.
- Administrative overheads i.e expenditure on 'general management and administration' of Corporate Social Responsibility functions in the company shall not exceed five percent of total CSR expenditure of the company for the financial year
- Any surplus arising from the CSR Programmes will be used for CSR activities within six months from the end of the relevant financial year. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure. Any surplus arising out of any of the CSR activities carried out by the Company will not be treated as part of the business profits of the Company.
- If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure as per the Companies Act, 2013.
- The Company may also undertake any multiyear project within the ambit of Schedule VII of the Act read with this Policy as a CSR Project. The CSR Committee shall study the timelines required for completion of the CSR project and can carry/execute such project as on going project with the approval of the Board and complying with the provisions of Section 135(6) of the Act. The Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period

  "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in

Janak Merchant Securities Pvt. Ltd. Pune

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 based on reasonable justification.

- The CSR amount may be spent by a company for creation or acquisition of a capital asset, 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:

- Any unspent CSR amount which does not relate to any ongoing project shall be transferred to a fund Specified in Schedule VII of the Act within a period of 6 (Six) months of the expiry of the Financial year.

CSR INITIATIVES

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR action plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

Annual CSR Plan

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines the following aspects of CSR initiatives of the Company

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
- the manner of execution of such projects or programmes
- the modalities of utilisation of funds and implementation schedules for the projects or programmes
- monitoring and reporting mechanism for the projects or programmes
- details of need and impact assessment, if any, for the projects undertaken by the company

Janak Merchant Securities Pvt. Ltd. Pune

Disqualifying Activities for CSR:

Any amount not allowed under the act will not be considered as CSR activities.

The CSR Rules prohibit the following as CSR

1. activities for benefit of the employees of the Company.
2. CSR activities undertaken outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level
3. Any amount directly or indirectly contributed towards any political party under Section 182 of the Act.
4. Activities that are undertaken by the Company in pursuance of its normal course of business
5. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
6. Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

Monitoring Mechanism

CSR Committee/Directors would monitor all the CSR activities, projects and programs by following mechanism:

- Periodic reporting by Working Committee if CSR working committee is constituted by the CSR committee.
- Periodic review of the progress of the project or programmes by the CSR committee.
- Visits to the locations or site of the project or programme, if required.
- Achievement since the last progress report in terms of coverage compared to target and reason for variance.
- Actual year to date spends compared to budget and reason for variance.

REPORTS

Person responsible for finance function or any person as may be authorised by CSR committee/Directors shall Report to the Board about the fund disbursed during /for the Financial Year toward various CSR projects or programs have been utilised for the purposes and in the manner as approved by the Board.

POLICY REVIEW & FUTURE AMENDMENT

The Committee shall review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

JAIDEEP JANAK MERCHANT
Whole Time Director
DIN: 01810299

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