



# Arman Financial Services Limited

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## CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

### VISION STATEMENT

The Vision statement is built on the four value pillars:

- a) Improving Lives
- b) Sustainable Development
- c) Partnerships
- d) Care and Concern

“Help Improve Lives by Partnering with Communities to deliver lasting Solutions.”

### OBJECTIVES

- 1) Strive for economic development that positively impacts the society at large with a minimal resource footprint.
- 2) Embrace responsibility for the Company’s actions and encourage a positive impact through its activities on environment, communities, stakeholders and the society.

### BUDGET

The Board of Directors of the Company shall ensure that in each financial year the Company spends at least 2% of the average net profit made during the three immediately preceding financial years. In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company. The Company may collaborate or pool resources with other companies to undertake CSR activities.

As per section 135 of the Companies Act, 2013 (“the Act”), the Company will report in its annual report to the shareholders of the company, reasons, if any, for under spending the allocated CSR Budget in any of the financial year.

### VALIDITY

This CSR Policy of the Company has been approved by the Board of Directors, at its meeting held on September 12, 2019 and shall remain in force until modified by the Board.

### MAINTENANCE OF POLICY

The CSR policy will be maintained by the CSR Committee of the Board of Directors and reviewed by the Board of Directors at periodic intervals.



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## FOCUS AREAS

In alignment with our vision of building lasting solution for communities in and around where we work and live, a three pronged approach will be adopted as focus areas for Company's CSR efforts:

- a) facilitate new ways of delivering services to address the most pressing social challenges;
- b) promoting preventive health care;
- c) Provision of food, nutrition supplement, clothes etc for the poor, children and other deprived sections of the society;
- d) Food Supply for the purpose of Disaster Relief;
- e) Provision of shelter for senior citizen;
- f) Supplementing of Govt. schemes like mid-day meal through additional nutrition;
- g) Giving medical and Legal aid;
- h) Promotions of Education, Educating the Masses; Monetary contributions to academic and other institutions with the objective of assisting students in their studies;
- i) Rural Development;
- j) To provide financial assistance to organizations working on the similar objective;
- k) Support old age homes; setting up old age homes, day care centres and such other facilities for senior citizens;
- l) Any other activity as notified or included in Schedule VII.

## IMPLEMENTATION

The ongoing CSR programs will be aligned with requirements of Section 135 of the Act. This CSR Policy builds on the learning and good practices of the ongoing CSR activities.

## PROGRAM EXECUTION

The mode of implementation of the CSR projects can include either or a combination of any of the following:



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- a) Direct implementation
- b) Implementation through a trust/foundation/society set up by the Company;
- c) Implementation through partners such as NGOs, registered societies, trust(s) etc.

The Company may enter into partnerships with like-minded stakeholders, selected through a comprehensive due diligence process.

## **MONITORING AND EVALUATION OF PROJECTS**

A robust monitoring and evaluation system will be put in place. The monitoring and reporting mechanism are divided into three distinct areas:

- a) Evaluation
- b) Reporting and Documentation
- c) Yearly reporting of CSR expenditure as per the requirements of the Act

The monitoring and evaluation system will aim to ensure that every program has clearly defined outcomes, outputs and indicators that are linked with, where possible, measurable targets and time lines.

## **PROGRAM MONITORING**

Programme monitoring mechanism will ensure:

- a) the CSR policy is implemented as per the Act and the Rules framed there under (“the Rules”);
- b) The CSR policy is implemented ensuring that all projects/programmes as budgeted are duly carried out.
- c) CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans. This may include monthly field visits, comprehensive documentation, and regular interaction with beneficiary communities.
- d) CSR spends will be audited in an accountable and transparent manner.

## **DOCUMENTATION AND REPORTING**

In preparation of the annual CSR report to the shareholders of the Company, the CSR Committee will ensure the following:



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- a) CSR projects and programs are properly reported.
- b) Accountability is fixed at each level of process and implementation.
- c) Reports may include:
  - i. Annual CSR report to the Ministry of Corporate Affairs, Government of India as per the format prescribed in the Rules
  - ii. Directors report to the shareholders
  - iii. Quarterly internal review reports, field visits reports and audit reports.

Ensure that during every financial year, funds committed by the Company for CSR activities are utilized effectively and will monitor implementation regularly.

## COMMITTEE

The CSR Committee shall consist of the following directors:

SRN	Name of the Member	Designation	Position in Committee
01	Mr. Jayendra Patel	Vice Chairman & Managing Director	Chairman
02	Mr. Alok Prasad	Chairman	Member
03	Mr. Aalok Patel	Joint Managing Director	Member

The names will be disclosed in Annual Report.

## RESPONSIBILITY OF THE CSR COMMITTEE

- a) Formulate the CSR policy and identify activities to be undertaken as per Schedule VII of the Companies Act 2013.
- b) Recommend CSR policy to the Board for its approval
- c) Recommend the CSR expenditure to be incurred.
- d) Regularly monitor the implementation of the CSR policy
- e) Change/modify the CSR policy as per requirement.



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## **IMPLEMENTATION TEAM**

CSR Team will consist of members of the committee and representative from Finance or HR department.

## **RESPONSIBILITY OF THE CSR TEAM**

- Central coordinating point for the execution of CSR activities
- Oversee day to day implementation of CSR activities
- Interface with various organisation units/teams to ensure effective implementation of CSR programmes.
- Regularly provide feedback and updates to the CSR committee
- Plan annual budgets for CSR activities
- Identify and manage partners to implement programmes as required
- Any other activities that may be required to effectively deliver the CSR programmes of the Company.

## **DISPLAY OF THE POLICY**

This CSR policy approved by the Board of the Company shall be placed on the website of the Company.

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