



MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Corporate Social Responsibility Policy

Version 1.4

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VERSION DETAILS

Sr. No.	Details of Changes	Date of Creation/ Change	Department	Author	Version Number	Approved By
1.	Original Document	26/04/2014	Corporate Secretarial	Samrat Sanyal	Ver. 1.0	Board of Directors
2.	Addition in CSR activities due to amendment in regulatory provisions	30/04/2015	Corporate Secretarial	Vidhi Gala	Ver. 1.1	Board of Directors
3.	Addition in CSR activities due to amendment in regulatory provisions	30/04/2016	Corporate Secretarial	Vidhi Gala	Ver. 1.2	Board of Directors
4.	Changes due to amendments in the regulatory provisions	11/05/2020	Corporate Secretarial	Kailash Purohit	Ver. 1.3	Board of Directors
5.	Changes due to amendments in the regulatory provisions	30/10/2020	Corporate Secretarial	Kailash Purohit	Ver. 1.4	Board of Directors



Motilal Oswal Financial Services Limited (MOFSL)

CORPORATE SOCIAL RESPONSIBILITY POLICY

SECTION I - PREAMBLE

The Company, Motilal Oswal Financial Services Limited recognizes the responsibilities towards society and strongly intends to contribute towards development of knowledge based economy.

As per section 135 of the Companies Act, 2013 (as amended from time to time) every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee and shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

Since the Company meets the aforesaid limits, the Company has constituted the Corporate Social Responsibility Committee.

The Company would carry out its responsibilities of Corporate Social Responsibility for the year with a collective goal on key focus areas enumerated in this policy.

Our Vision

The Company's vision is to provide opportunities for children and their families to move from poverty and dependence to self-reliance. Motilal Oswal Financial Services Limited believes in `Knowledge First` and the Company believes that education can bring prosperity and equality in the society.

In line with our motto of "Knowledge First", the Company believes in enhancing the only human intangible asset. Recognizing the responsibilities towards society, we intend to carry out initiatives for supporting education.

The Company resolves to contribute towards development of knowledge based economy by discharging Corporate Social Responsibilities (CSR) that would positively impact on customers, employees, shareholders, communities and other stakeholders in various aspects of its operations.

SECTION II - OUR APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY

In line with our motto of “Knowledge First”, the Company believes in enhancing the human intangible asset and thus the Company shall strive to contribute largely to the education & learning front.

Our Approach:

1. Identification and formulation of projects in response to meet societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner.
2. In cases where other agencies/organizations are involved, approach would be to focus on collaboration and partnership.
3. The Company will act as an agency to ensure delivery of services satisfying social and community needs.
4. The Company will also provide financial assistance in the form of grant-in-aid assistance, interest free loans, corpus fund support and soft loan support, etc.

Management Commitment:

The Board, Management, employees of the Company contribute to our motto at their individual level. The Company at various levels constantly strives to enrich its philosophy. We are committed to:

1. Continuous improvement in our Corporate and Social Responsibility (CSR) strategy;
2. Acting in a socially responsible way;
3. Continually improving our performance and meeting all relevant legislation;
4. Encouraging our staff to be mindful of the effect of their actions on any natural resource.

SECTION III - ACTIVITIES PERMITTED TO BE UNDERTAKEN UNDER CORPORATE SOCIAL RESPONSIBILITY

1. Eradicating hunger, poverty and malnutrition, promoting 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.
2. Promoting education including special education and employment enhancing vocation 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 centres 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, agro-forestry, 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.

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. Measures for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
8. 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.
9. 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.
10. 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 Defense 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).
11. Rural development projects.
12. Slum Area Development.
13. Disaster management, including relief, rehabilitation and reconstruction activities.
14. Contribution towards aforesaid activities related to COVID-19 except contribution to Chief Minister's Relief Fund or State Relief Fund for COVID-19.
15. Such other activities as may be permitted from time to time.

SECTION IV - PROHIBITED ACTIVITIES UNDER CSR

The Company will abstain from carrying out following activities under CSR which may create dissatisfaction among any section of the Society:-

1. Activities concerned with religion like construction of temple/mosque etc.
2. Activities disturbing social harmony in any manner.

3. Activities undertaken in pursuance of normal course of business of a company.
4. CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities as provided in the Companies (Corporate Social Responsibility Policy) Rules, 2014.
5. Contribution of any amount directly or indirectly to any political party as given under Section 182 of the Companies Act, 2013 shall not be considered as CSR activity.

SECTION V - INSTITUTIONAL SET UP

The Company makes contribution to various causes directly and through Motilal Oswal Foundation, a Section 25 Company incorporated under Companies Act, 1956 on June 24, 2011 having its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025.

Motilal Oswal Foundation is a non-profit organisation to support social initiatives of the Company. The Foundation is promoted by Mr. Motilal Oswal, Mr. Raamdeo Agarawal and Passionate Investment Management Pvt. Ltd., the Group Holding Company.

The Foundation is headed by Mrs. Suneeta Agrawal and Dr. Pratiksha Mehta. Promoting education, preventing malnourishment, healthcare and disaster relief are the key focus areas of Motilal Oswal Foundation.

The contributions made by the Company to Motilal Oswal Foundation shall be considered as CSR activity after complying with the provisions specified in Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company shall specify the project/program to be undertaken through Motilal Oswal Foundation, modalities of utilization of funds on such project/program and monitoring and reporting mechanism.

SECTION VI - ACTIVITIES/ PROJECTS/ PROGRAMS TO BE UNDERTAKEN

Education and Related Amenities

Motilal Oswal Foundation strives to make quality education accessible to the underprivileged section of our society. For this the Foundation will partner with NGOs after thorough due diligence for multiple projects such – improving the physical environment of schools, enhancing teaching-learning experience, students guidance and development, building hostel facilities, etc. The Foundation will also support not-for-profit organizations setting up educational institutes for higher education in India.

Prevention of Malnourishment

Motilal Oswal Foundation will partner with non-profit organization that runs mid-day meal programs in schools to provide nourishing meals to the school students.

Healthcare

Motilal Oswal Foundation will seek to contribute in the healthcare sector for the benefit of the larger society.

Disaster Relief

The Foundation will also make funds available directly or through implementing partners to support natural disaster relief efforts as may be required in the country from time to time.

SECTION VII - BUDGETING AND ALLOCATION OF FUNDS

1. CSR committee of the Company shall prepare an annual plan for each year considering the minimum annual spend mandate under Section 135 of Companies Act, 2013 and its corresponding rules which shall be placed before the Board of Directors for approval.
2. The Board of Directors shall approve annual budget allocations to be spent on CSR by the CSR Committee.
3. Expenditure for building CSR capacities of the employees shall not exceed 5% of the total CSR expenditure in one financial year.
4. For ensuring effective delivery, all projects initiated shall be financed in a phased manner. Funds shall be committed for long-term projects and shall be disbursed on a yearly/quarterly installment basis.
5. Any Profit arising out of the CSR projects or programs or activities shall not form part of the business profit of the company.

SECTION VIII - IMPLEMENTATION

The Company's CSR initiatives will be implemented by the Company's management and Motilal Oswal Foundation under the guidance of Corporate Social Responsibility Committee (the "Committee") of the Board of Directors (the "Board") of the Company.

SECTION IX - MONITORING AND EVALUATION

A two-tier monitoring mechanism for the CSR projects may be developed:

1. CSR Monitoring Cell
2. Periodic Review by the CSR Committee

CSR Monitoring Cell

The Company would establish CSR Monitoring cells consisting of following personnel who shall monitor the utilization of funds and status of implementation and execution of CSR Projects on regular basis:-

1. Mrs. Suneeta Agarwal
2. Mr. Nikunj Pugalia

The Cells will send status reports to the CSR committee on periodic basis.

CSR Committee

The role of CSR Committee with respect to the corporate social responsibility is enumerated below:-

Role of CSR Committee:

The Corporate Social Responsibility Committee shall:-

1. 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 the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the CSR activities and
3. Monitor the Corporate Social Responsibility Policy of the company from time to time.

Composition of CSR Committee:

The Committee shall consist of at least three directors out of which at least one shall be an independent director.

SECTION X - POST IMPLEMENTATION IMPACT ASSESSMENT

If considered necessary, the effectiveness of the various programs/activities undertaken under the CSR may get evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

SECTION XI - REPORTING

An annual report of the activities undertaken under the CSR initiatives shall be prepared in as per format given under the Companies (Corporate Social Responsibility Policy) Rules, 2014 mentioning the brief outline of the Company's CSR Policy, composition of CSR Committee, average net profit of last 3 financial years and including other details as required under the given format. The annual report of the CSR shall form part of the Board's Report of the Company.

SECTION XII - INFORMATION DISSEMINATION

The Company's advancement in the CSR segment shall be disseminated on its website and annual reports. The CSR policy shall be displayed on the Company's website.

SECTION XIII - REVIEW AND AMENDMENT

If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board and/or its Committee reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.