

# **DALAL AND BROACHA STOCK BROKING PRIVATE LIMITED**

## Corporate Social Responsibility (CSR) Policy

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## 1. Preamble

The Dalal And Broacha Stock Broking Private Limited (hereby referred to as 'The Company') Corporate Social Responsibility Policy (hereby referred to as 'The CSR Policy') has been developed in accordance with Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 (hereby collectively referred to as the 'Act' in this CSR Policy document) notified by the Ministry of Corporate Affairs, Government of India.

## 2. Introduction

Dalal And Broacha Stock Broking Private Limited ("The Company") is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

The company has steadily evolved and matured through five decades, consolidating its managerial strengths to handle corporate growth, while expanding its service portfolio to answer changing investor needs.

The Company is a member of Bombay Stock Exchange, as well as the National Stock Exchange in the Cash as well as the F&O segments. It is also a member of a Depository Participant with CDSL.

Other services provided by the company include distribution of Mutual Funds, IPOs, and Portfolio Management Services, with the firm currently handling over 20,000 retail clients, NRIs, corporates, banks, mutual funds, and FIIs.

## 3. CSR Vision

The Company is committed to improving the lives of the communities in which it operates in a sustainable way. It aspires to be a responsible Corporate Citizen, by contributing to nation building through CSR Projects/ Programs, in true letter and spirit.

The CSR Vision of the Company is **to build relationships of trust with local communities, society and stakeholders as good corporate citizens and to contribute to developing a sustainable society for future generations.**

## 4. Objectives of CSR Policy

The CSR Policy, formulated in alignment with the Vision of the Company, lays down guidelines and mechanisms to be adopted by the Company in order to carry out CSR Projects/Programs.

All CSR Projects/Programs will be conceived and implemented through a focused approach towards target beneficiaries for generating maximum impact.

CSR Projects/Programs of the Company may be carried out in partnership with credible implementing agencies.

## **5. Applicability, Validity & Review**

The CSR Policy shall apply to all CSR Projects/Programs undertaken by the Company. The Board shall review the CSR policy once in a year and may amend the same as per the requirement of the Company. The Board may review and make changes to the policy at any other intervals in case of any change in the Act.

## **6. CSR Budget**

The CSR Budget will be allocated as per the provisions of the Act i.e. at least two per cent of the average net profit calculated as per Section 198 of the Act read with the Companies (Corporate Social Responsibility) Rules thereof ('average net profit') accrued during the three immediately preceding Financial Years.

The Board of the Company will endeavor to spend in each Financial Year, at least two per cent of the average net profit on CSR Projects/Programs.

CSR Projects/Programs will be identified and budgets will be allocated through a process incorporating identification of suitable implementing agencies, need assessment (where required) and clear outlining of desired outcomes.

In the event that the amount indicated above is not spent in its entirety in that Financial Year, the reasons thereof will be outlined as per Section 134(3) (o) of the Act.

In implementing its CSR Projects/Programs the Company may choose to partner with a registered trust, society or a Section 8 company that fulfill all requirements of Section 135 of Companies Act, 2013. The Company may collaborate or pool resources with other entities within the Group to undertake CSR Projects / Programs. The Company may also enter into partnerships with the government, business partners and communities to achieve a significant impact of the social projects.

## **7. Treatment of Surplus**

In the event that the Company makes any surplus or profit from pursuing its CSR Projects/Programs, these will not form part of the business profit and will be invested back into CSR Projects.

## **8. Focus Areas**

The Company shall undertake CSR Projects/Programs that are aligned with areas listed in Schedule VII of the Act, within the geographical limits of India, for the benefit of marginalized, disadvantaged and underserved sections of the community and the environment.

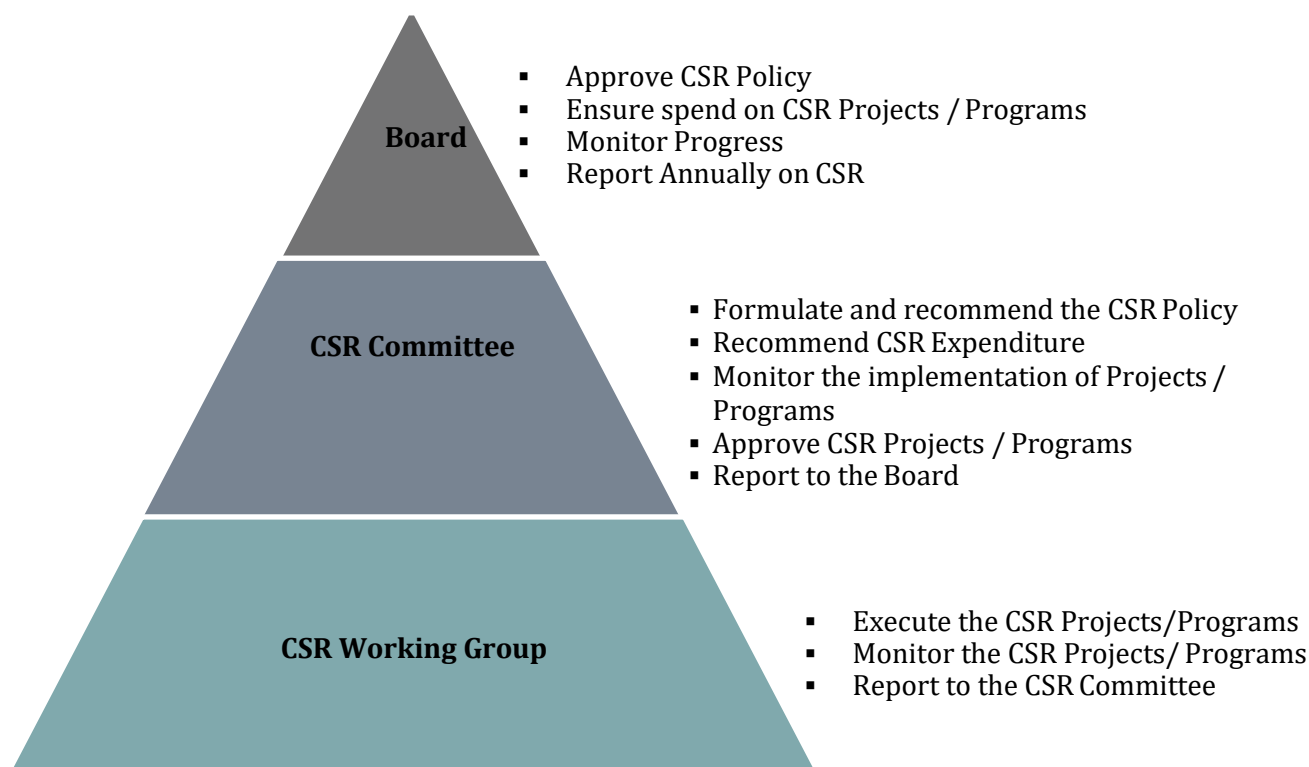
The detailed list of CSR Projects / Programs proposed to be undertaken for the Financial Year is appended to this Policy as [Annexure A](#).

CSR Projects / Programs will not, however, include the following:

- Activities which benefit only the employees of the Company and their families
- Contribution to any political parties
- Activities undertaken outside the country

## 9. Governance Structure

The Governance Structure for CSR Projects / Programs undertaken by the Company shall be as represented below:



**Board of Directors** - The Board of Directors of the Company will be responsible for:

- Setting up the CSR Committee as per the Act;
- Approving the CSR policy and list of activities as per Annexure A as formulated by the CSR Committee;
- Ensuring that in each financial year the Company spends at least 2% of the average net profit before tax ( as per Section 198 of the act with Co.)made during the three immediate preceding financial years;
- Ensuring that every financial year funds committed by the Company for CSR Projects/Programs are utilized effectively, and regularly monitoring implementation;
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR Projects/Programs on the Company website; &
- Ensuring annual reporting of CSR Policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format, if required

**CSR Committee** - The CSR Committee will consist of all the directors on the Board of the Company.

The composition of the CSR committee of the board is as below:

Mr. Nailesh P. Dalal	:	Chairman
Mr. Vipul P. Dalal	:	Member
Mr. Parimal R. Merchant	:	Member

The CSR Committee will be responsible for:

- Formulating the CSR Policy in compliance with the Act;
- Identifying Projects/Programs to be undertaken as per Schedule VII of the Act;
- Recommending to the Board the CSR expenditure to be incurred;
- Regularly monitoring the implementation of the CSR Policy;
- Identifying and engaging with partners such as NGOs, business partners etc. for effective implementation of the CSR Policy;
- Constituting a transparent monitoring mechanism to ensure implementation of the CSR Projects / Programs undertaken by the Company;
- Reporting to the Board on the progress of the various CSR Projects/Programs and spends on a regular basis; and
- Recommending to the Board, modifications to the CSR policy as and when required.

## **10. Planning & Implementation**

The Company's CSR Projects/Programs will, to the extent possible, include components such as:

- Clearly defined objectives developed out of existing societal needs or determined through baselines / studies / research, where considered necessary / feasible
- Identified sectors, geographies and target group / beneficiaries
- Milestones / Targets and timelines
- Specification of annual financial allocation
- Robust monitoring system
- Reporting framework and system

The mode of implementation of CSR programs will include a combination of direct implementation and through implementing agencies. The Company will select its implementing agencies after appropriate due diligence.

The Company may use services of expert agencies, consultancy firms etc. wherever required for carrying out surveys, guidance on project design and implementation, impact assessment surveys, etc.

## **11. Monitoring & Reporting**

A comprehensive monitoring framework shall be devised by the Company to ensure that all Projects / Programs are duly implemented as per the CSR Policy.

The Company's CSR Committee shall monitor the approved projects.

The monitoring and reporting mechanism will include program review, evaluation, documentation and reporting.

**Annexure A. Projects / Programs for Current Financial Year<sup>1</sup>**

Sr. No.	Project /	Sector as per Schedule VII of Act	Activitie
1			Undertaken through an implementing agency over a period of one year
2			Undertaken through an implementing agency over a period of one year
3			Undertaken through an implementing agency over a period of one year
4			Undertaken through an implementing agency over a period of one year
5			Undertaken through an implementing agency over a period of one year
6			Undertaken through an implementing agency over a period of one year

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<sup>1</sup> In addition, funds could be provide to the Prime Minister's Natural Relief Fund and/or Swachh Bharat Kosh