

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

OF

PRUDENT INSURANCE BROKERS PRIVATE LIMITED

Corporate Social Responsibility (CSR) Policy (As approved by the Board of Directors)

CSR Policy & Philosophy

Prudent Insurance Brokers Private Limited is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. The Company has taken up various Corporate Social Responsibility (CSR) initiatives earlier and will continue to do so in future. As a responsible corporate citizen, we try to contribute for possible social, educational and environmental causes on a regular basis. We firmly believe that to succeed, an organization must maintain highest standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

Constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy has become mandatory under the Companies Act, 2013. Accordingly, our Company has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

1. CSR Vision

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

2. Constitution of CSR Committee

In terms of section 135 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company at its meeting has constituted a CSR Committee and the following are its members;

- 1 Mr. Ajit Singh Dhingra- Chairman
- 2 Mr. Pavanjit Singh Dhingra-Member
3. Mr. Gurpal Singh Dhingra- Member

The CSR Committee to, inter alia, carry out the following functions;

- a) To 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 and the rules made thereunder.
- b) To recommend the amount of expenditure to be incurred on the CSR activities.
- c) To monitor the implementation of framework of CSR Policy.
- d) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

3. Definitions

In this Policy, unless the context otherwise requires;

1. "Act" shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof.
2. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.
3. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
4. "Net Profits" shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.
5. "Company" shall mean Prudent Insurance Brokers Private Limited
6. "Group Companies" shall mean holding, subsidiaries and associates of the Company.
7. "Agency" or "Agencies" shall mean any Section 8 Company under the Act or a registered trust / society / Non-Government Organization / Institution performing social services for the benefit of the society at large.
8. "Board" shall mean the Board of Directors of the Company.

9. "Approved Budget" shall mean the total budget as approved by the Board of the Company, which is to be spent or utilized for CSR activities.
10. "Annual Plan" shall mean the annual planned CSR expenditure for the year.
11. "CSR Committee" shall mean the Corporate Social Responsibility Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of two or more Directors. ,
12. "CSR Officer" shall mean a person engaged by the Company to assist the CSR Committee to implement the CSR activities envisaged under the Policy.
13. "CSR Policy" shall mean the Corporate Social Responsibility Policy of the Company, which covers the yearly activities undertaken by the Company under the policy and the CSR Expenditure thereon.
14. "CSR Activities" shall mean all the Corporate Social Responsibility activities / programs / initiatives of the company, either ongoing or new, including but not limited to green belt / environmental protection / ecological balance / slum 4 rehabilitation / education / sports etc., and those specified in Schedule VII to the Act (as amended from time to time) at corporate office, project offices of the Company, its subsidiaries and associates wherever located, as recommended by the CSR Committee and approved by the Board.

15. "CSR Expenditure" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following;
- a. Contributions to CSR activities which shall be implemented and / or executed by the Company.
 - b. Contributions to CSR activities which shall be implemented through any other Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.
 - c. Contribution to the Corpus of a Trust / Society / Section 8 Companies etc., as long as they are created for undertaking CSR activities or where the corpus is created for the purpose directly relatable to a subject covered in Schedule VII of the Act.
 - d. Any other contributions covered under Schedule VII to the Act
16. "Thrust Areas" shall mean the areas or activities ascribed to them in this Policy, as amended by the CSR Committee, from time to time.
17. "Trust" shall mean a trust formed and registered under the Indian Trust Act, 1882 and under the Income Tax Act, 1961 for those states where registration of trust is not mandatory and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and / or Rules.

4. Thrust Areas:

While we strive to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, we focus to support and implement the following activities as our thrust areas;

- a. Training to promote nationally recognized sports.
- b. Providing emergency medical care, preventive health care, sanitization and safe drinking water.
- c. Promoting education to the under privileged children, supporting socially backward people and helping the differently abled people.
- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources.
- e. Rural Development Projects, promoting gender equality and empowering women.

6. Implementation

This CSR Policy will be implemented from the succeeding year of a financial year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc.

The CSR activities will be carried out directly or indirectly at the corporate office, in and around the areas of the projects of the Company, Subsidiaries and Associates. However, this shall not bar the Company from pursuing its CSR activities in any other areas. The CSR activities will be carried out/ implemented, directly or indirectly Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.

7. Expenditure not covered or recognized

In terms of the Rules, the following contributions shall not be considered as CSR Expenditure;

- a) Contributions of any amount, whether directly or indirectly, to any political party or any person associated with a political party.
- b) Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.
- c) Expenses incurred by the Company for the fulfillment of obligations any act / statute of regulations (such as labour laws, land acquisition act etc.)
- d) Expenses incurred by the Company for one off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programs etc.
- e) Other contributions / expenses not recognized under the Act / Rules as amended or modified, from time to time.

8. Funding and allocation:

Following is the mode of funding and allocation of area wise planned expenditure for the CSR activities.

- a) The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of its Net Profits for the CSR Expenditure.
- b) In the absence of Net Profits in any financial year, the Company endeavors to spend such feasible amount as it may decide.
- c) The CSR Committee shall prepare its annual planned expenditure, for a financial year, for the CSR activities including the thrust areas and manner of implementation etc., and submit the same for approval of the Board.

The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.

The Company has an option to carry forward such un-spent money to next year by depositing it in a separate CSR Fund (Corpus) created by the company or to contribution to the corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities.

9. Monitoring mechanism

The CSR Officer of the Company will coordinate / review the implementation of CSR activities at various areas and report to the Board through the CSR Committee. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website. The CSR Committee shall place before the Board, a draft annual report on CSR activities in a board meeting the following year for Board's review and finalization.

The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

10. General

- a. In case of any doubt with regard to any provision of the CSR policy and also in respect of the matter not covered herein, a reference to be made to the Company Secretary or the Board of Directors of the Company
- b. A resolution shall be valid and effectual as if it had been passed at the meeting of the Committee duly conveyed and constituted,

if it is passed by circulation by an affirmative vote of majority of the members.

- c. Every question considered at the Committee meeting shall be decided by a majority of votes of members present and vote. In the event of equality of votes, the Chairman shall exercise its casting vote.
- d. Any or all provisions of the CSR policy would be subject to revision/ amendment in accordance with the guidelines on the subject as may be issued by the Central Government or Ministry of Corporate Affairs from time to time.