

NCDEX e MARKETS LIMITED

CIN: U93090MH2006PLC165172

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION:

NCDEX e Markets Limited (NeML) is a leading online trading platform service provider registered under the Companies Act, 1956 having its registered office at Unit No.101 & 101 T, 1st Floor, Ackruti Corporate Park, Near G. E. Garden, L. B. S. Road, Kanjurmarg (West), Mumbai – 400 078. The stakeholders of NeML desire to participate in Corporate Social Responsibility (“CSR”) activities and wish to include CSR strategies as part of their management strategies for creation of a sustainable livelihood in society.

This Policy is aimed at implementing welfare measures in the society by addressing the concerns of the marginalized section of the society as part of their core business areas and to encourage employees to give back to the society. This Policy is made in accordance with the Companies Act, 2013 (“Act”) along with Companies (Corporate Social Responsibility) Rules, 2014 (“Rules”) and forms parts of NeML’s key business process and as per recommendations of the CSR Committee at its meeting held on January 27, 2020, this Policy has been approved by the Board of Directors of NeML (“Board”) on February 05, 2020.

NeML is committed to serve smallholder farmers (SHF), deserving consumers dependent on Public Distribution System (PDS) and other underserved communities leveraging its e-Markets and Services electronic spot platform. It works in close coordination with Government and Government entities in order to broaden its positive impact on its stakeholders. NeML work with an ecosystem approach with partners. This entails understanding the specific challenges faced by the weaker section of the economy and working towards creating meaningful solutions for the transition from a dark to a lit life.

CSR VISION OF NeML

NeML’s CSR vision is – *“to actively contribute to the social and economic development of people by helping them gain better access to basic facilities. In so doing build a better, sustainable way of life for rural communities and raise the country’s human development index”.*

CSR COMMITTEE

In accordance with the Act and the Rules, the Board has constituted the Corporate Social Responsibility Committee (“CSR Committee”) consisting of 3 (three) members (including the Directors and Non-Executive Directors). The present members of the CSR Committee are mentioned herein below and such membership of the CSR Committee shall be subject to review by the Board on a periodical basis:

- a) Mr. Arun Balakrishnan, Chairman;
- b) Mr. Puneet Gupta;
- c) Mr. Mrugank Paranjape

The CSR Committee shall, *inter alia*, perform the following functions:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the CSR activities proposed to be undertaken and such projects will be identified based on the proposed thematic areas as provided under the Act and the Rules therein;
- To recommend the amount of expenditure to be incurred on the CSR activities; and
- To monitor the implementation of the CSR Policy from time to time and take such other action as it may deem fit in pursuance of the CSR Vision of NeML.

CSR PROJECTS, PROGRAMMES AND ACTIVITIES

NeML would focus on select geographies to make its impact felt through its CSR fund. All projects will be identified and prioritized in a participatory manner, in consultation with “not for profit sector” entities and would actively involve the local communities. Amongst others, the Funds would also be made available to Farmer Producer Organizations (FPOs) that meet the criteria set by the company.

There is a need to promote education and literacy for underprivileged girl child, providing sanitation facilities, water and irrigation etc. There is a need to work on environment by promoting proper use of energy, water, recycling, emissions and other ecofriendly activities

The committee would select the most deserving projects from time to time.

PROPOSED ACTIVITIES

1. Enhancing Income of the weaker section by creating capabilities for value addition, water conservation and low chemical use.
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 centers 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].
5. Rural development projects.
6. Technical assistance for integration of an online auction / bulk sales platform.
7. Market intelligence to connect anchor implementation partners to unmet demand for sustainable produce.
8. Engaging the services of organizations like the National Skills Foundation of India for the skill development of rural people and farmers.
9. Contribution to Prime Minister's National Relief Fund or any other fund setup by the Central Government or State Government.
10. Any other activity as may be agreed by the CSR committee.

TARGETS, TIMEFRAMES AND PERFORMANCE MANAGEMENT:

NeML would select the projects based on the priorities set by the CSR committee and the proposals received to effectively deploy its CSR Funds. To maintain continuity, certain projects would be supported for longer periods to ensure visible change. All projects will be assessed under the agreed strategy, and be monitored every quarter, measured against targets and budgets. Wherever necessary, midcourse corrections will be made.

ORGANISATIONAL MECHANISM AND PERFORMANCE

NeML will provide the vision under the leadership of its Board, CSR Committee and Managing Director. This vision will underline all CSR activities.

The projects will be executed by NeML and/or its holding Company, volunteers, along with outside consultants wherever necessary. To measure the impact of the work done, a social satisfaction survey / audit will be carried out by an external agency after the intervention is completed.

PARTNERSHIPS

Collaborative partnerships will be formed with the entire system of stakeholders with the expertise, the influence and the infrastructure to coordinate a fundamental shift, not only in our own operations, but in the way agricultural markets operate. This will help widen the NeML's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

SURPLUS OF CSR PROJECTS

The surplus arising out of the projects or programs or activities shall not form part of the business profit of NeML and such surplus shall be invested in suitable bank deposits, liquid funds and other instruments offering adequate safety and reliability and any interest income earned on the foregoing shall be utilized for CSR purposes.

INFORMATION DISSEMINATION:

The NeML's CSR projects will be disseminated on its website, annual reports, bulletins and through the media. NeML will provide employees, customers and external stakeholders with a significant depth of information about this issue through credible research, white papers, videos, stories, and social media.

MANAGEMENT COMMITMENT

The Board, our management and all of our employees subscribe to the philosophy of ethical business. NeML believes and acts on an ethos of transparency, freedom and inclusiveness, characterised by a willingness to build an ecosystem that works for everyone. This is the cornerstone of CSR Policy.

REPORTING

NeML shall provide an annual report which is to be included in the Board's Report on all CSR activities undertaken as per the format prescribed in the Rules. The team involved in the activities shall prepare such report on behalf of NeML.

MONITORING/OVERSEEING CSR ACTIVITIES/PROJECTS

The CSR Committee of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR team and the management of the Company shall submit a report periodically, giving status of the approved Projects, amounts allocated, expenditure incurred and such other details as may be required by the CSR Committee/Board of Directors of the Company. The CSR Committee shall meet as and when required to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The CSR Committee shall also approve the CSR report to be included in the Directors' Report of the Company every year.