



IIFL Samasta Finance Limited

Corporate Social Responsibility Policy (CSR)

About IIFL Samasta Finance Limited:

IIFL Samasta, an IIFL Group company, is a financial institution committed to working towards women's economic empowerment. Since its inception in March 2008, IIFL Samasta has been providing innovative and affordable financial products to women from the unbanked sections in society in both rural and semi-urban areas.

Today as the organization caters to 16 states and 1 Union Territory across India, IIFL Samasta with its wide array of responsible financial products and services acts as a catalyst for sustainable and inclusive economic growth. Our portfolio includes a variety of products that enable customers to engage in different income generation activities. We also provide loans for dairy cattle, micro, and small enterprises, education, consumer products and top up loans. We leverage innovative technology solutions to enable customers to enjoy the benefits of digitization and we aim to create economic opportunities for all and to improve the standard of living in the communities we serve.

IIFL Samasta is committed to working for the economic development of the woman. Our teams have given their outstanding contribution and commitment to reach the members in various parts of the country.

CSR Policy:

According to rule 2 (1) (e) of the CSR rules- "CSR policies" "relates to the activities as specified in schedule VII to the act and the expenditure thereon, excluding the activities undertaken in pursuance of the normal course of business of a company".

IIFL Samasta Finance Ltd CSR Policy:

IIFL Samasta Finance Limited as an organization is very much committed towards the development of the society and having a objective of improving the quality of life of the community. The company shall allocate 2% of the average net profits of preceding three years towards CSR activities. In case any surplus/corpus fund arises out of the projects initiated under CSR will be re-deployed back into CSR projects only and shall 'not be used as any form of profit for the company. Under this CSR policy, a committee will also be formulated to fulfil all the roles and responsibilities and to conduct the annual CSR board meetings as well.

The focus of the CSR activities will be both rural & urban areas. However, the locations wherein the CSR activities shall be conducted has to be approved by the CSR committee as and when required.

The objective of the CSR activity/activities will be to provide benefit to all the people irrespective of their background details. However, a special focus will always be given to women, girl child, aged population and those coming from the marginalized communities.

IIFL Samasta's focus will be to contribute to the sustainable development of the society & environment and to make our planet for the future generations.

Objective:

1. Striving the economic development of the community intending to positively develop the society at large.
2. Carrying out developmental initiatives which are purely sustainable in nature.
3. To operate in a socially, environmentally and economically responsible manner.

Approach:

The approach of the CSR will be revolving around principles- honesty, focus upon impact, strengthening the relationship between communities and companies, employee engagement, Innovation, Team building, Transparency & accountability with a holistic approach for development.

Delivery Mechanism:

The CSR department of the IIFL Samasta Finance Ltd will be run by an in-house dedicated CSR team and through several societies promoted/recommended by the CSR committee/BoD. However, the partner agencies will be selected on the basis of well defined selected criteria.

4. Work experience of the partner agencies in the required field.
5. Liasoning or collaboration with any government & non government agencies.
6. Cost structure & manpower availability.

Review of Policy:

The developed CSR policy will be reviewed/developed/modified as per the requirement. Also, the final document will be prepared only after the approval/consent of CSR committee.

CSR Activity focus areas:

All the CSR activities of IIFL Samasta Finance will be aligned towards improving the quality of life of the community. However, the focus areas will be related to Health, Livelihood, Education & literacy programme, cattle well being, Environment protection, rural development, women empowerment, and Skill development. The recommendation may be suggested by the CSR team based on the secondary research and other sources of information.

Location of CSR activities:

Location for any CSR activity conducted by IIFL Samasta Finance will be decided by the core CSR committee. The recommendation may be suggested by the CSR team based on the secondary research and other sources of information.

Governance mechanism:

The CSR committee will govern and review the CSR and its activities for the company. The CSR committee will recommend the annual business plan for CSR and place it to the board for its approval. The plan will be inclusive of the nature & scope of the project, budget, resource requirements and allocation across location/locations. The CSR committee will be inclusive of minimum three directors, of which one will be independent.

The CSR committee monitor the activity and achievements as per the vision statement of the project. The company may also create an consultative council from academic and development sector having eminent experience in the areas where the company is running their CSR projects.

Scope of IIFL Samasta Finance CSR:

The following mentioned focus areas will be taken under consideration under the scope of CSR

S.No	Focus Areas	Initiatives and Projects	Ref. Schedule number of companies act.
1	Education	Financial Literacy program for rural and semi urban areas Educate and Mass awareness program on road safety. Scholarship for meritorious students from financial weaker section.	Schedule VII (ii)
2	Health	Preventive health care activities Treatment services for both human & Cattle at door step. Providing Cataract eye surgery for the aged population.	Schedule VII (i)
3	Animal Welfare	Cattle breed improvement project: Integrated livestock development program. Fodder development activities.	Schedule VII (iv)
4	Employment enhancement and vocational skills and livelihood enhancement	Skills development program for unemployed youth in rural and semi urban. Promoting entrepreneurial activities in rural area	Schedule VII (ii)
5	Disaster Relief	Extending relief measures during the time of natural disaster, anywhere in the country	Schedule VII (I)
6	Environment	Promoting greenery by taking tree plantation activities. Promoting renewable energy in the communities.	Schedule VII (IV)

Composition of CSR Committee & Board:

Corporate Social Responsibility committee will be inclusive of at-least three or more directors, out of which one shall be an independent director.

The board's report under sub-section (3) of section 134 shall disclose the composition of the corporate social responsibility committee. As per the clause (3) of section 135 the corporate social responsibility committee shall-

- Formulate and recommend the CSR policy to the Board;
- Recommend the amount of expenditure to be incurred on CSR activities;
- Monitor the CSR policy of the company from time to time; and
- Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in rule 5(2) of the Companies (CSR Policy) Rules, 2014.

The Board, after taking into account the recommendations made by the corporate social responsibility committee;

- Approve the corporate social responsibility policy for the company and disclose contents of such policy in its report and also place it on the company's website, if any, in any such manner as may be prescribed.

- Board, shall ensure that the activities as are included in the corporate social responsibility of company as undertaken by the company.
- The board, shall ensure that the company spends, in every financial year at least two percent of the average net profits of the company made during the three immediately preceding financial year, in pursuit of its corporate social responsibility policy.

The company shall give preference to the area/areas where it operates for spending the amount earmarked for corporate social responsibility activities.

If the Company fails to spend such amount, the Board shall ensure that the unspent amount (unless relating to on-going project) shall be transferred to the specified fund in accordance with the Companies Act 2013 and CSR Rules. If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off in accordance with the Companies Act 2013 and CSR Rules. The unspent amount relating to the on-going project shall be transferred to a special account in accordance with the Companies Act 2013 and CSR Rule.

Guiding principles of CSR:

1. CSR programme will be undertaken by the company in its identified areas. Also, the needs assessment & impact evaluation will be conducted based on the requirement.
2. The companies may enter into partnership/collaboration with various stakeholders such as government bodies, semi government agencies, business partners to create a holistic impact in the society/community through its CSR.
3. The mode of implementation of the CSR projects will be both direct through the CSR team and indirect through the hired/appointed specialized agencies considering the nature of the project.
4. The company may use the internal teams, volunteers, employee volunteers based on the requirement.

Monitoring of CSR activities:

Monitoring of the CSR projects can be conducted by the internal departments of IIFL Samasta Finance or any third party can also be involved considering the requirement & budget availability.

Impact Assessment:

Pursuant to section 135 of the Companies Act 2013 and CSR Rules, for an average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, an impact assessment, through an independent agency, of the CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study, shall be conducted.

Treatment of Surplus:

If any- Any form of surplus generated by any of the CSR projects will be tracked and utilized in the CSR corpus only. However, by no means it will not be added to the normal business profit.