



## IKF Finance Limited

Corporate Social Responsibility Policy	
Prepared By	Company Secretary team
Proposed By	Company Secretary
Approving Authority	Board of Directors
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## 1. Preamble

We are constantly aware of our role in society as a corporate entity, we strive at every stage to integrate economic, environmental and social objectives with our core operations and growth. We endeavour to evolve our relationship with all our stakeholders for the common good, and validate our commitment in this regard by adopting appropriate business processes and strategies.

The provisions related to CSR are incorporated under Section 135 of Companies Act, 2013 (the Act) read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) and further amendments thereto along with General Circular No. 21/2014 w.r.t. Clarification with regard to provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013. The Ministry of Corporate Affairs (MCA) has, vide its Notification dated 27th February 2014, implemented provisions related to CSR which will be effective from 1st April, 2014.

The provisions related to CSR are incorporated under Section 135 of Companies Act, 2013 (the Act) read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) and amendments there under time to time along with General Circular No. 21/2014 w.r.t. Clarification with regard to provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013.

This Policy has been formulated under the above provisions of the Act and shall be applicable to all CSR initiatives and activities undertaken by the Company, for the benefit of different segments of society.

## 2. CSR Objectives

As a responsible corporate citizen, the Company is committed to sustainable development and inclusive growth and has been focusing on issues relating to water, environment, healthy living, music, grass roots education, social advancement and promoting gender equality and empowerment of women over the past several years. Whilst the Company will continue to support activities as per Schedule VII of the Act listed below, from 2016 onwards, the Company will focus its efforts on key areas of focus, i.e., Water, Agriculture and Recycling. The specific projects and activities under these pillars are being worked on and more specifics will be finalised in due course. In terms of the CSR rules issued by the MCA the Company will be focusing on undertaking the project /programs /activities listed below, as specified in Schedule VII to the Act excluding activities undertaken in pursuance of normal course of business of a Company:

- i. Eradicating hunger, poverty and mal-nutrition, promoting preventive health care and sanitation including contribution to the “Swachh Bharat Kosh” set-up by the Central Government for promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects;
- iii. 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;
- iv. Ensuring environmental sustainability, ecological balance, and protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining

- quality of soil, air and water including contribution to the “Clean Ganga Fund” setup by the Central Government for rejuvenation of river Ganga;
- v. 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;
  - vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
  - vii. Training to promote rural sports, nationally recognized sports, Para Olympic sports and Olympic sports;
  - viii. Contribution to Prime Minister’s National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
  - ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
  - x. Rural development projects.
  - xi. Slum area development.
  - xii. Disaster management, including relief, rehabilitation and reconstruction activities

### 3. Amendments to the CSR Policy

The Board of Directors of the Company shall have the powers to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee to confirm to the revision/amendment, if any, to be made to the CSR Rules by the MCA, under the Act.

### 4. CSR spend

Beginning with the financial year 2014-15 the Company intends to spend on its CSR activities every year, an amount equivalent to 2% of the average net profits before tax, calculated over the preceding three financial years. The calculation of 'Net Profit' shall be in accordance with the provisions of the Companies Act and the applicable CSR Rules.. Any income or surplus arising from the Company’s CSR initiatives shall be reinvested into the CSR corpus and shall not be considered as part of the business profits of the Company.. The CSR activities undertaken by the Company shall be directed towards societal benefit and shall not include any programs or initiatives that are exclusively for the benefit of the Company’s employees or their family members

### 5. Monitoring of CSR Projects

The CSR Committee shall oversee the implementation and progress of all CSR activities. Regular reviews will be conducted to track fund utilization, timelines, and outcomes. Reports from internal teams or implementing agencies will support monitoring efforts. Where required, impact assessments will be carried out in line with applicable laws. All activities and expenditures will be properly documented and disclosed as per statutory requirements

## 6. Constitution of CSR Committee

The CSR Committee shall consist of three or more Directors, out of which at least one director shall be an independent director. The Committee shall meet, whenever required, to discuss and review CSR activities and Policy. Quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

The Committee members may attend the meeting physically or via such audio-visual means as permitted under the Act. The Committee shall have the authority to invite such employee(s), senior official(s) and or external experts, as it may deem fit, to attend the CSR Committee Meeting(s). The Company Secretary, if any, shall act as Secretary to the Committee.

## 7. Scope & Functions of CSR Committee

The functions / terms of reference of CSR Committee shall, inter-alia, include the following:

- a. To formulate a Plan to carry out the activities to be undertaken by the Company as per the Act;
- b. To review and approve the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- c. To monitor the implementation of CSR Policy of the Company from time to time;
- d. To review the CSR activities of the Company and provide progress update to the Board of Directors at such interval as may be deemed fit.
- e. To carry out any other activities as the CSR Committee may deem appropriate within the Board approved Policy or as may be directed by the Board of Directors, from time to time.

## 8. Review of the Policy

The Policy will be reviewed at reasonable intervals or annually or as and when the Board deems it necessary.

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