



CREDITACCESS GRAMEEN LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Revision History

Version	Author	Description of Changes	Release Date
1	Company Secretary	First version	November 11, 2014
2	Chief Compliance Officer	The amendment made to be aligned with the Ministry of Corporate Affairs CSR Amendment Rules, 2020	June 25, 2021
3	Chief Compliance Officer	Insertion of new clause 2 "Policy Statement/Vision" and amendments to Clause 9 & 10	March 23, 2022

Version	Author	Reviewed by	Approved by
1	Company Secretary	MD & CEO	Board of Directors
2	Chief Compliance Officer	MD & CEO	Board of Directors
3	Chief Compliance Officer	MD & CEO	Board of Directors

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CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction:

CreditAccess Grameen Limited ("CA Grameen" or the "Company") in compliance with Section 135 of the Companies Act, 2013, is incorporating in its structure Corporate Social Responsibility projects through this Corporate Social responsibility (CSR) Policy and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action plan. This Policy covers all the internal dimensions of the CSR structure and further captures and sets out the process of implementation of the CSR related activities.

2. Policy Statement / Vision:

At CA Grameen, we believe in incorporation of a holistic CSR perspective within Company's strategic planning and core operations so that the Company is managed in the interest of a broad set of stakeholders, particularly the community, to achieve maximum economic and social value over the medium to long term.

CA Grameen remains committed to touch the marginalized section of the societies through its focused CSR initiatives, including United Nations Sustainable Development Goals. The Company aims to integrate CSR activities into its business operations leading to alignment of business growth with sustainability of the social and environmental fabric of the end communities.

3. Objective:

To ensure implementation of a policy framework that stimulates, fosters, recognizes, supports and facilitates continuing growth and application of the best practice in CSR.

To bring sustainable development in the identified areas (as specified below) selected by the CSR committee as the focal point of the Company's CSR Policy.

4. Scope:

This Policy shall apply to all the CSR projects undertaken in any branch or office of the Company, whether such project is executed in collaboration with any other company or on its own.

5. CSR Committee:

Board of Directors of the Company shall constitute a Board Committee to govern and oversee the CSR activities of the Company. The Committee shall be headed by independent directors and majority of committee members shall be of non-executive nature.

The CSR Committee of the Board will meet at least once in every 6 (six) months in a year.

The Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- a. the list of CSR projects or programmes that are approved to be undertaken during therelevant financial year in areas or subjects specified in Schedule VII of the Act;
- b. the manner of execution of such projects or programmes as specified in the Companies (CSR Policy) Rules.
- c. the modalities of utilisation of funds and implementation schedules for the projects or program.
- d. monitoring and reporting mechanism for the projects or programmes; and
- e. details of need and impact assessment, if any, for the projects undertaken by the company.
- f. Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

6. Identified Areas for CSR Projects:

In consonance with the activities specified in the Schedule VII of the Companies Act, 2013, the Company's CSR Committee has identified the below areas, for implementation of its CSR activities:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

Provided, notwithstanding the above, there is no restriction on the Company to undertake such other activities as may be allowed under Schedule VII of the Companies Act, 2013.

7. Implementation:

The Company shall implement its CSR activities through CreditAccess India Foundation, a Section 8 company, which is incorporated specifically for the purpose of implementation of CSR activities of group companies.

8. Locus of CSR Projects:

The CSR Projects shall be implemented in all the operational areas of the Company as the Company expands its operations.

9. Structure of CSR Projects:

The Company's CSR Projects neither include any activity undertaken in the normal course

of business of the Company nor include contribution to any political party under Section 182 of the Companies Act, 2013 or have any religious affiliations. The CSR projects will be preferably implemented in the areas where the Company has presence. The projects shall not have any exclusive benefit for the employees of the company or their family members. The projects shall not include any activities for deriving direct marketing benefits for Company's products or services. The projects shall exclude any activities carried out for meeting any statutory obligations.

For the accomplishment of the above identified areas under Point 5 above, the Company shall work in partnership with CreditAccess India Foundation to develop & implement the projects as suggested by the CSR Committee and duly approved by the Board of Directors.

10. Finance for CSR Projects:

The Company shall present to its CSR Committee the Annual Plan of activities along with budgets beginning of every financial year. The annual CSR spend shall be equal to such percentage of average net profits of the Company as per Section 135(5), to be approved by the Board.

The surplus, if any, generated from CSR initiatives shall not form part of the business profits and shall be treated in following manner:

- To be utilized in the existing CSR projects
- To be transferred to a designated Unspent CSR Account under Section 135(6) and spent in accordance with the CSR policy and action plan
- To be transferred to a Fund specified in Schedule VII as per Section 135(6), within the prescribed timeline as specified in the CSR Rules

In case of CSR expenditure exceeding the CSR obligation during a financial year, such excess amount may be set off against CSR requirements in subsequent financial years.

The Company may spend its CSR budget for creation or acquisition of a capital asset subject to fulfilment of conditions specified under the Companies (CSR Policy) Amendment Rules, 2021 and any amendment to the same.

CSR Committee shall present to the Board the details of the projects & budgets approved.

The Company shall submit a half yearly progress and status report on the activities and budgets utilized in line with the CSR requirements under the Companies Act to the CSR Committee.

The Company may engage an external evaluator (either CA or any other professional firm) to evaluate the project achievements and verify & confirm utilization of the budgets on an annual basis at its own cost.

Overhead expenditure incurred shall not exceed 5% of the total CSR contribution made by the Company in the respective financial year or such other percentage as may be permitted from time to time.

11. Reporting and Monitoring:

CSR Committee of the Company shall monitor the implementation of the CSR projects as

required under the Companies Act 2013 and whether the funds provided by the Company are utilized in accordance with the approved plans and report to the Board of Directors.

CreditAccess India Foundation shall provide detailed report of CSR activities carried out as well as budgets utilized in the prescribed format to the Company's CSR committee.

The Board of Directors shall submit a report in the prescribed format which shall be annexed to the Directors' Report pursuant to sub-section (3) of the section 134 of the Companies Act, 2013.

If for any reason CreditAccess India Foundation is not able to utilize the entire funds provided by the Company, such unutilized funds shall be treated in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as may be amended from time to time.
