

ASIRVAD MICROFINANCE LTD

CSR POLICY

Brief Background:

As per section 135 of the Companies Act, 2013, every company having Net worth of ₹500 crores or more, or turnover of ₹1000 crores or more, or a net profit of ₹5 crores or more in preceding financial year shall constitute a Corporate Social Responsibility (CSR) Committee, in order to undertake activities that would come under the purview of CSR activities. Company should also formulate CSR policy in this regard.

Objective

The objective of Corporate Social Responsibility is to benefit the society by improving the quality of the individual, their families and local communities at large. Serving the needy people is the top priority of Asirvad Microfinance Ltd. The Company has already started to engage in improving the life of the poor and the needy people by providing microfinance business but the eagerness of the company to help more under privileged people does not end here. The company, through CSR activities, shall participate in the overall development of the society.

Ethics, Transparency & Accountability

Asirvad Microfinance Ltd is committed to maintain ethical value, transparency and accountability. Further, the company will not engage in business practices that are abusive, unfair and corrupt.

List Of CSR Activities.

- ❖ Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water and dwelling units for poor.
- ❖ Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- ❖ Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- ❖ Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water
- ❖ 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 tradition and handicrafts
- ❖ Measures for the benefit of armed forces veterans, war widows and their Olympic sports
- ❖ Contribution to “Swachh Bharat Kosh ” and “Clean Ganga Fund”
- ❖ Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports

- ❖ Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste , the Scheduled Tribes, other backward classes, minorities and women
- ❖ Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- ❖ Rural development projects
- ❖ Slum area development

CSR Spending:

At least 2% of the average net profit of the preceding three financial years to be spent on CSR activities every year by the company.

Composition of CSR Committee:

The CSR committee shall consists of minimum three Directors among which one shall be Independent Director.

Role of CSR Committee:

The CSR Committee constituted in pursuance of Section 135 of the Companies Act, 2013 shall be required to carry out the following activities:

- a) 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;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) Monitor the CSR policy of the company from time to time

CSR through Company/ Trust/ Society.

The company may undertake CSR activities through Asirvad Development Foundation and/or Manapurram Foundation

Disclosures in the Annual Report of the Board.

The Annual Report of AMFL shall include an annual report on CSR activities on the format annexed to rules framed under Section 135, which shall include, inter alia, the following information:

- ❖ The composition of the CSR Committee of AMFL
- ❖ The details of the CSR Policy developed and implemented by AMFL and the initiatives taken during the year
- ❖ A clear reason will be provided in the event of AMFL failing to spend on CSR activities the sum required to spent under Section 135 of the Act

While preparing the Statement of Profit and Loss, AMFL shall disclose by way of notes, the amount of expenditure incurred on CSR activities

Display of CSR Policy on the website of AMFL:

The CSR Policy shall be placed on the website of AMFL.

Surplus arising out of CSR Activities:

Surplus arising out of CSR activities, if any, shall not form part of the business profit of the company.

Amendment to the Policy.

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.

Sd/-

Managing Director