



Enabling Holistic Dignified Living

Corporate Social Responsibility Policy

Version- 1.0

Version History			
Version	Amendments	Date	Meeting in which adopted
1.0	First release	11.11.2020	Board Meeting

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1. Title and applicability

- The document describes the Corporate Social Responsibility Policy (“CSR policy”) of Light Microfinance Private Limited [“LIGHT” or “the company”). It includes LIGHT’s vision, mission and other relevant attributes of Corporate Social Responsibility.
- The CSR policy shall be guided by LIGHT’s corporate philosophy of respect for the individual and the society at large.
- The CSR policy has been formulated in accordance with Section 135 of the Companies Act 2013 and the CSR Rules 2014 and the relevant amendments / notifications / circulars.
- *Further, in this policy Light Microfinance Private Limited will be referred as “LIGHT” or “ the Company ”*

2. Vision and Mission

LIGHT is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns.

In pursuance of our vision that LIGHT desires to be a ‘Company which society wants to exist’, we are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavour to positively impact and influence the Society for its sustainable development.

3. Purpose

The Companies Act, 2013 has brought greater emphasis on CSR with rules that provide guidance on minimum CSR spend, focus areas, implementation mechanism and reporting to the shareholders of the company.

LIGHT’s CSR Policy has been designed keeping in view the company’s business vision, its CSR vision and long-term social objectives that the company wants to achieve. LIGHT CSR Policy has been created with the purpose to outline its CSR focus areas, review mechanism, execution process and reporting mechanism.

4. Responsibility of the Board of Directors

The responsibility of the Board of Directors shall be as under:

- a) To approve the CSR Policy & disclose the contents of such policy in its report and also place it on the Company’s website.
- b) Ensure that the activities proposed in the CSR Policy are undertaken.
- c) Ensure that the company spends, in every financial year, at least 2% of average net profits of the company made during the 3 immediately preceding financial years, as required under Section 135 of the Companies Act, 2013 & Rules made thereunder.
- d) If company fails to spend the sum as mentioned above, then the Board shall, in its Report specify the reasons for not spending the amount.

5. CSR Committee

5.1. Constitution of CSR Committee

A Corporate Social Responsibility Committee (“the CSR Committee”) has been constituted by the Board of Directors to oversee the CSR agenda of the Company. The committee has been formed as per the requirements of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee.

The composition of CSR Committee shall be disclosed in the Board of Directors’ Report.

5.2. Responsibilities of the CSR Committee

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

5.3. Meetings of CSR Committee

The CSR Committee shall meet at least once in a financial year. The meeting shall be held either at the corporate office of the company or any other place, as may be decided by the members.

Presence of a minimum of two members of the committee shall constitute the quorum.

5.4. Notice of Meeting

At least three days advance notice of every meeting, specifying the day, place and timing of Meeting and the general nature of the business to be transacted there at shall be given to the members. In urgency, a meeting may be convened by shorter notice.

6. Areas of CSR Activities

The Company is hereby devoted to direct its CSR resources, to a reasonable extent, for improving the quality of life of the people by focusing on the social causes, including but not limited to the following areas:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swacch Bharat

- Kosh set-up by the Central Government for the 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 the 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 centres 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, 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 set-up 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;
 - vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
 - viii. 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 Castes, the Scheduled Tribes, and other backward classes, minorities and women;
 - ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
 - x. Rural Development Projects; and
 - xi. Slum area development
 - xii. Disaster management, including relief, rehabilitation, and reconstruction activities
 - xiii. COVID related expenditure as per the clarification of Ministry of Corporate Affairs of the company dated 23.03.2020 and necessary changes made by government as amended from time to time

7. CSR Spend

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

8. Geographies and beneficiaries

8.1. Geographies

LIGHT will give preference to the local areas around its operations for spending the amount earmarked for CSR activities. LIGHT' operations are mainly concentrated in any area in India as may be decided, from time to time.

8.2. Beneficiaries

The beneficiaries of LIGHT's CSR programs may be the following categories of people:

- Women
- Children/students
- Weaker sections of the society
- Others - society at large

9. Implementation mechanism

The Company may conduct / implement CSR programs by itself and/or through registered trusts, societies and / or section 8 (previously section 25) companies with an established track record of at least three years in carrying on activities in the related area/s or as suggested by Ministry of Corporate Affairs vide circulars/notifications.

The Company may collaborate or pool resources with other companies to undertake CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending.

The progress will be reported to the CSR Committee during the committee meetings. The progress on CSR programs undertaken by the Company will be reported in the Annual Report in the format prescribed by the CSR Rules 2014.

10. Monitoring of CSR programs

The CSR Committee of LIGHT shall be responsible for day to day management of CSR related activities of the company. The CSR Committee shall periodically report to the CSR committee regarding the financial and programmatic progress of CSR projects.

All projects undertaken by LIGHT shall be monitored on a regular basis.

11. Effective Date

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

12. Amendments to the CSR Policy

The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, as it may deem necessary. The Board may also establish further rules and procedures, from time to time, to give effect to this Policy.

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