

## Aryadhan Financial Solutions Private Limited

### **Corporate Social Responsibility (CSR) Policy Framework (Section 135 as per Companies Act, 2013)**

#### **CSR Philosophy**

Aryadhan Financial Solutions Private Limited fosters a culture of caring, trust and continuous learning while meeting the expectations of all stakeholders and society at large. As a responsible Corporate Citizen, the Company contributes towards inclusive growth by empowering communities and accelerating development.

The Company's CSR Policy framework details the mechanisms for undertaking various programmes in accordance with section 135 of the Companies Act 2013 for the benefit of the community.

#### **CSR Themes**

The Company will primarily focus on 'Building India's Social Infrastructure' as part of its CSR programme which will include, amongst others, the following themes, aligning to SDG1, SDG2, SDG3, SDG4, SDG5, SDG6, SDG8, SDG13. Specific activities which will be supported under the CSR policy are listed below.

Freedom from Poverty and hunger (SDG1&2)- Company envisages to undertake activities in food and nutrition arena. Support livelihood strengthening along with securing community food systems. Support activities related to irrigation, wells, dams, produce storage structures etc for improving the livelihood of farmers and agriculturists.

Promoting good health and well-being of communities (SDG3)- Company envisages to undertake or support activities improving health of communities, relief in event of natural disasters and incidences like pandemic. Form partnerships in improving psychosocial support systems and deepening and strengthening the social protection programs of government. May include but not limited to community health centres, mobile medical vans, dialysis centres, general and specialized health camps and outreach programmes, centres for elderly / disabled, support to HIV / AIDS programme.

Improving quality and access to education (SDG4)- Company envisages to undertake and support activities improving quality and access to education. Support opportunities to bridge the digital divide by training programs or donating digital learning equipment.

Gender equality and women empowerment (SDG5)- Company envisages to undertake or support activities promoting fair gender representation in

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Director

opportunities. Importance will be given to specific programs elevating status of women from labour to leader in agriculture.

Clean water and sanitation (SDG6)- may include but not limited to programmes making clean drinking water available, conservation and purification of water.

Creating employment opportunities (SDG8)- may include but not limited to vocational training such as skill building, computer training, women empowerment, support to ITI's, support to especially abled (infrastructure support & vocational training), CSTI's, providing employability skills at project sites, creating training centres.

Mitigate impact of climate challenge (SDG13)- Undertake and support activities that can mitigate the aggravating concerns due to climate challenges. May include but not limited to conducting or supporting of workshops, seminars, funding awareness building initiatives by government and other not for profit agencies.

Also in line with the above listed themes company may take related activities such as, contributions to prime ministers relief fund or any such fund set up by the central government, contributions to technology incubators located within the academic institutions which are approved by the central government.

For Aryadhan Financial Solutions Private Limited

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Director

## **CSR Budget**

- The Board of the Company shall allocate at least 2% of the average profit (as required by Companies Act 2013) during the three preceding financial years
- The Company may collaborate or pool resources with other entities to undertake CSR activities
- In case of any surplus arising out of CSR programmes the same shall not form part of business profits of the Company

## **CSR - Roles and responsibilities**

The CSR Governance structure comprises of the Board and SCSR (Sustainability and CSR) Committee,

### **The Board:**

The Board of Directors of the Company will:

- Approve the CSR Policy of the Company
- Ensure spend of 2% of profits
- Disclose the content of the CSR Policy in its report and place the Policy on the Company's website as prescribed under Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014
- Ensure that the social programmes undertaken are aligned to the CSR Policy of the Company
- Specify reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount

### **SCSR Committee of the Board:**

SCSR Committee shall be responsible for the planning process, oversee implementation and review CSR programs undertaken under the CSR policy. The SCSR Committee shall recommend the annual plan and budget to the Board and shall submit periodic progress report to the Board of Directors. The Committee may also propose and recommend new programs beyond the approved annual CSR plan.

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The committee shall be composed of the following members.

Mr Margapuri Prasanna Rao (Director Aryadhan Financial Solutions)

*A. Chandra*  
Director

Mr Chattanathan Devarajan (Director Aryadhan Financial Solutions)

Mr Shenoy Mathew (Chief Sustainability Officer)

Mr Muktesh Kumar Pareek (General Manager Finance)

Ms Nisha Choudhary (Company Secretary)

### **Specific responsibilities of the SCSR Committee:**

1. 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 to the Companies Act, 2013, the CSR Rules and amendments therein, from time to time.
2. Formulate and recommend to the Board, a roadmap of the CSR activities to be undertaken by the Company and annual budget to carry out the CSR activities including amendments therein, from time to time.
3. Approve and recommend to the Board the expenditure to be incurred on the CSR activities, from time to time as per the annual budget / CSR programme approved by the Board of directors and in accordance with the Companies Act, 2013 and the CSR Rules. 3
4. Establish a transparent monitoring mechanism for implementation of CSR projects and programs undertaken by the Company and submit a half-yearly report to the Board of directors.
5. Review and monitor the Corporate Social Responsibility Policy and CSR activities of the Company.
6. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy.
7. The SCSR Committee may at the expense of the Company secure external professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary.
8. The Committee shall have access to any internal information necessary to fulfil its role.
9. Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the CSR Rules, or other applicable law each as amended or by any other regulatory authority, from time to time. 10. To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts

### **Governance and Implementation**

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Director

The CSR initiatives will be implemented either directly by the Company or through  
a. its foundation or a registered trust or a registered society, established by the Company either singly or alongwith any other company b. The foundation or the

registered trust or the registered society may engage/collaborate with Government, Knowledge/ academic/ community institutions, private enterprises, consulting organizations, CSR program management companies, NGOs & Community based organizations.

The company may also collaborate with other not for profit entities where the directors or employees of it hold positions.

### **Implementation**

- CSR programme will be undertaken by the Company in identified areas. The Company will undertake need assessments as and when required.
- The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- The Company may enter into partnerships with the government, business partners and communities to create multiplier effect of its social programmes.
- The mode of implementation of CSR programmes will include a combination of direct implementation and / or through partners such as NGOs, Trusts, academic institutions, business associates, registered societies etc. The Company will select its partners after appropriate due diligence.
- The Company may use the services of internal teams, employee volunteers, expert agencies, consultancy firms etc. wherever required for carrying out base line surveys, guidance on programme design and implementation, impact assessment surveys etc.

### **Funding Selection, Monitoring and Reporting Framework**

The SCSR committee will receive requests for funding projects throughout the calendar year. The committee will evaluate proposals received and prioritize by assessing their potential impact.

The Company has formed a mechanism to monitor and report the progress of its CSR programmes. An accounting system has been established by the Company to ensure programme wise accounting of CSR spends. The SCSR committee will ensure the effectiveness of its CSR programmes through third party audits and report the CSR performance to the board on a quarterly basis.

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The CSR Policy framework will be displayed on the website of the Company. The Board will include in its Board report, a report on the CSR activities in the

format specified under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For Aryadhan Financial Solutions Private Limited

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