IIFL FINANCE

Document Version Controller

Document Name: Corporate Social Responsibility Policy			
Sr. No.	**Date of Creation/Change**	**Author/Reviewed by**	**Approved By**
1.	26/04/2023	Sneha Patwardhan	Board of Directors
2.	22/07/2026	Samrat Sanyal	Board of Directors

Document Validation Note:

IIFL Finance Limited (Erstwhile IIFL Holdings Limited and hitherto referred to as 'IIFL Finance') (Corporate Identity Number L67100MH1995PLC093797) was incorporated at Mumbai on October 18, 1995, as a private limited company with the name Probity Research & Services Private Limited under the Companies Act, 1956. It has obtained a Certificate of Registration dated March 06, 2020, bearing Registration No. N-13.02386 issued by the Reserve Bank of India (RBI) to commence the business of a non-banking financial institution without accepting public deposits under Section 45 IA of the RBI Act, 1934. It is a Systemically Important Non-Deposit taking Non-Banking Finance Company (NBFC). The equity shares of the Company are listed on BSE Limited, National Stock Exchange of India Limited and India International Exchange (IFSC) Limited.

This Corporate Social Responsibility (CSR) policy has been formulated and adopted in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, requires IIFL Finance to constitute a CSR Committee, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediate preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, the Board of Directors at its meeting held in July 2016 approved and adopted this CSR Policy. This policy, post review by the CSR Committee and per its recommendation, has been amended by the Board of Directors of the Company at its meeting held on April 26, 2023.

TABLE OF CONTENTS

ॐ सर्वे भवन्तु सुखिनः | सर्वे सन्तु निरामयाः ।
सर्वे भद्राणि पश्यन्तु | मा कश्चिद्दुःखभाग्भवेत् ।
ॐ शान्तिः शान्तिः शान्तिः ॥

Om, May All become Happy
May All be Free from Illness
May All See what is Auspicious
May no one suffer
- Upanishads

1. Preamble:

IIFL Finance is one of India's largest and most trusted financial services providers. IIFL Finance, along with its subsidiaries IIFL Home Finance Limited and Samasta Microfinance Limited, is focused on retail lending. Its diverse product spectrum comprises Home Loans, Gold Loans, Business Loans including Loans against Property and MSME Financing, Microfinance, Construction & Real Estate Finance and Capital Markets Finance.

IIFL Finance is guided by the group's vision to become the most respected brand in the financial services space in India. Playing an active role in undertaking sustainable development of its communities is crucial to realize this vision. The approach to the business focuses on one hand; on building trust, knowledge and delivering quality service to its customers and on the other; to provide timely assistance to the country's under-banked/banked customers. Furthermore, IIFL Finance's CSR projects are in sync with the objectives of the Company. This enables it to become one of the most committed and responsible companies in the industry.

2. Purpose:

The key purpose of this policy is to:

- Define the broad development areas/CSR objectives that IIFL Finance shall undertake
- Outline the governance structure for management of CSR activities within IIFL Finance
- Serve as a guiding document to help identify, execute and monitor CSR projects
- Explain the manner in which the surpluses from the CSR projects will be treated

3. Policy Statement:

IIFL Finance's CSR policy and projects are steered by the same values that guide the business of all group companies. It can be summarized in one acronym – FIT, which stands for:

- Fairness: To everybody - government, stakeholders, customers, employees and society.
- Integrity: Honesty. We never compromise on it.

- Transparency: We are transparent about whatever we do.

4. Scope of CSR Policy:

This policy applies to all CSR projects undertaken by IIFL Finance and This Policy has been framed in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder. IIFL Finance shall ensure that the CSR projects undertaken are other than activities undertaken in pursuance of normal course of business of the company. The policy will be periodically reviewed and updated in line with relevant codes of legislation, international standards and best practices followed globally.

5. India Infoline Foundation:

India Infoline Foundation was constituted under Section 8 of the Companies Act, 2013, to act as the umbrella organization for managing and implementing all CSR projects of IIFL and its subsidiaries and other companies. The Foundation partners with implementation agencies that best fit the group's values and priorities. The Foundation is working towards achieving its vision 'to eradicate girl child illiteracy and inspire them for higher education'. India Infoline Foundation has registered with the Central Government by filing the form CSR-1 and has received its CSR Registration Number of CSR00002470.

6. Key Focus Areas:

The CSR projects undertaken by India Infoline Foundation are clubbed under the heading HELP (Health, Education and Environment, Livelihood and Poverty alleviation).

The Company's Corporate Social Responsibility ("CSR") initiatives and projects shall be undertaken in accordance with the activities specified under Schedule VII of the Companies Act, 2013, as amended from time to time, and in compliance with Section 135 of the Companies Act, 2013 and the rules made thereunder.

The Company may undertake, directly or through implementing agencies, such CSR programmes, projects, and activities as may be approved by the Board or the CSR Committee from time to time, in any of the areas prescribed under Schedule VII of the Companies Act, 2013.

In addition to the above, India Infoline Foundation will also continue to make contribution to several schemes of the governments, undertake active disaster relief activities, drive environment sustainability and promote sports. It may also undertake one-time projects based on the needs of the communities.

7. **Partnering Organizations:**

IIFL Finance undertakes its CSR activities in multiple ways such as:

- Utilizing the contributions received by the Foundation
- Working with implementing agencies
- Undertaking collaborative projects with other corporates

The Foundation executes the CSR responsibilities of IIFL Finance and its subsidiaries and other companies either (i) directly, by executing and implementing programs permitted under Schedule VII and approved by the CSR Committee or (ii) by entering into partnerships with implementing organizations registered in India and having a track record of service, performance, governance and accountability.

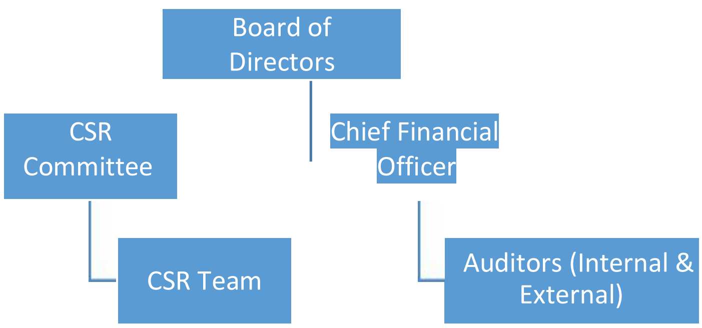
8. **Governance Structure:**

IIFL Finance has constituted a robust and transparent governing mechanism to oversee the implementation of its CSR projects in line with the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act 2013 and Rules made thereunder as may be amended from time to time.

At the helm of this mechanism is the Board of Directors of the Company, who is ultimately accountable for the CSR projects undertaken by the Company.

IIFL Finance has constituted a CSR Committee at the Board level. The CSR Committee is supported by India Infoline Foundation's CSR Team and comprises representatives from IIFL Finance as well as India Infoline Foundation.

CSR Governance Structure



9. Responsibilities of the Board of Directors:

The Board of Directors of IIFL Finance will be responsible for:

- Constituting CSR Committee in accordance with requirements of the Companies Act 2013 and Rules made thereunder as may be amended from time to time.
- Approving the CSR policy after taking into account the recommendations made by the CSR committee
- Ensuring that the Company shall, in each of the financial year spend at least the amount on CSR initiatives as has been prescribed by the Companies Act, 2013 and the rules made thereunder and as amended from time to time.
- Ensuring that primarily the activities included in CSR Policy of the Company are undertaken by the Company.
- Monitoring that in every financial year, funds committed by the Company for CSR activities are utilized effectively and implementation is regularly reviewed.
- Reporting/providing the details as may be prescribed by the Act and the rules made thereunder.

10. CSR Committee:

- IIFL Finance has constituted a CSR Committee, established by Resolution of the Board of Directors of the Company (The 'Board') and is to be known as the 'CSR Committee'. It shall report to the Board and oversee CSR matters.
- The CSR Committee shall be constituted in accordance with the requirements of the Companies Act, 2013 and the Rules made thereunder as amended from time to time. The CSR Committee may invite any person as they may deem fit to attend meetings of the CSR Committee when required, notwithstanding that they are not members of the CSR Committee.
- The Quorum shall be two members. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR committee.
- The Company Secretary/Assistant Company Secretary shall act as the Secretary of the CSR Committee and shall keep a record of the membership of and the dates of any changes to the membership of the CSR Committee. He/she shall be responsible to record the minutes of the meeting.
- Meetings shall be held at such times as the CSR Committee deems appropriate and in compliance with Companies Act 2013 and the Rules made thereunder as amended from time to time.
- Meetings of the CSR Committee shall be convened by the Company Secretary of the Company at the request of the Chairman or any member thereof.
- CSR activities shall be activities as specified in Schedule VII of the Companies Act, 2013, and as amended by the Ministry of Corporate Affairs from time to time.
- The CSR Committee may, at the direction of the Board of the Company, investigate any matter within its terms of reference.
- The CSR Committee may, at the direction of the Board, secure external professional advice and attendance of third parties with relevant experience and expertise at meetings of the CSR Committee, if it considers this necessary.
- The CSR Committee shall have all necessary authority to carry out its duties and responsibilities. Without limitation to the generality of the foregoing, the Committee shall

have the authority to engage (including authority to approve fees and other retention terms) and terminate the engagement of any social responsibility consulting firm to provide data or recommendations with respect to CSR projects.

- The Company shall provide and make available to the Committee, as it may determine, funds for undertaking CSR activities and to pay compensation to any advisers engaged by the Committee as per Companies Act 2013 and rules made there under as amended from time to time.
- The CSR Committee is empowered to frame, review and modify the criteria / processes for selecting the projects, laying down the criteria for performance evaluation of the projects, selecting the implementation entities / partners and decide on any matter that it may deem pertinent to effectively discharge its responsibilities which are in line with the objectives of the CSR policy.
- CSR Committee shall monitor the implementation of the CSR projects in line with the CSR policy through reviews of the activities of the external agencies/NGOs in compliance with the Act and ensure that funds spent on CSR programs are creating the desired impact.

10.1. CSR Team:

This team is at the core of all CSR activities at India Infoline Foundation. It is responsible for ensuring effective implementation of all CSR projects.

Key responsibilities of the team include:

- Identification of the project and the partner(s)
- Conducting due diligence on the partner(s)
- Executing the decisions taken by the CSR Committee
- Implementing and assessing impact
- Reporting periodically to the CSR Committee
- Reviewing progress of projects every quarter
- Ensuring compliance with applicable laws

10.2. CSR Advisory Committee:

The Advisory Committee constituted by India Infoline Foundation shall provide inputs to the CSR team to help them plan and implement CSR projects as approved by the Company in its Annual Action Plan.

11. Third Party Implementing Bodies:

It is the responsibility of the CSR Committee to ensure that the implementation modality of a CSR project/ program is defined and that the external body that would execute the said project / program is clearly identified. In case the external body is an NGO or an Agency other than an NGO, it shall meet the following criteria:

i. Have a permanent office/address in India
ii. Be a registered society under Societies' Registration Act or a Sec 25 Company (Registered under the Companies Act, 1956) or a Sec 8 Company (Registered under the Companies Act, 2013)

iii. Be registered under the CSR 1 certification guidelines
iv. Have a track record of at least three financial years
v. Have verifiable antecedents and verifiable credentials
vi. Maintains duly audited annual accounts
vii. Preferably possesses a valid Income-tax Exemption Certificate
viii. Complies with the Criteria of the Companies Act

12.CSR Budget:

The total budget for the CSR projects is decided annually in accordance with the goals and priorities of IIFL Finance.

13.Annual Action Plan:

The CSR Committee shall formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy, in accordance with the requirements of Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Annual Action Plan shall, inter alia, include:

1. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
2. The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
3. The modalities of utilisation of funds and implementation schedules for the projects or programmes
4. Monitoring and reporting mechanism for the projects or programmes; and
5. Details of need and impact assessment, if any, for the projects undertaken by the company.

14. Approach for Utilizing the CSR Budget:

The CSR Committee decides on the following aspects of utilizing the CSR amount:

- Percentage of total amount to be contributed to the Foundation for undertaking earmarked projects
- Percentage of total amount to be used for directly funding the implementing organizations and/or for collaborative projects with corporates, if any
- Any income arising from the contributions received by the Foundation and surplus arising out of the CSR activities will be used for CSR projects only
- Amount to be contributed for building the capacities of the CSR team. Such expenditure, including expenditure on administrative overheads, will be subject to the limits prescribed under the Companies Act, 2013 and CSR Rules as amended from time to time.

15. Project Lifecycle:

India Infoline Foundation plans, implements, monitors and manages all CSR projects of IIFL Finance. The Foundation works closely with the CSR Committee, the CSR team and the CSR Advisory committee to identify projects that are in alignment with the vision and goals of IIFL Finance.

Following the approval of the Board of IIFL Finance and the Chief Financial Officer, the CSR team shall formulate implementation plans for the projects specifying the following:

I. Activities to be undertaken
II. Budgets proposed
III. Time frame of implementation
IV. Responsibilities and authorities for implementation
V. Results expected to be achieved post implementation

The India Infoline Foundation is responsible for ensuring the smooth execution of all CSR projects approved by the Company. The Foundation may choose to implement the projects by itself or ensure that projects are awarded to implementation agency, that is a Registered Trust or a Society or a Section 8 Company. Potential partners/ NGOs must have a clearly explained mission and vision and should be able to provide their latest audit, annual reports and registration forms according to 80G/12A.

15.1 Monitoring:

The Foundation's CSR team shall monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports. Mechanisms to track data and monitor projects shall be established to ensure the transparency and efficiency of the implementation process. The projects are evaluated against the milestones defined in the implementation plan of each project. The CSR team shall present monitoring reports of the projects to the CSR Committee on a periodic basis.

15.2 Reporting:

The Board of the Company holds the responsibility that funds earmarked for CSR are utilized for the purposes and in the manner as approved by it and the Chief Financial Officer, certifying to this effect. The CSR Committee shall approve and recommend to the Board, for their approval, CSR Report which forms a part of annexure to the Board Report. The report shall disclose information in the format prescribed by Section 135 of the Companies Act of 2013. The CSR Committee shall also submit a responsibility statement to the Board that the implementation and monitoring of the CSR Policy is in compliance with the approved CSR policy and as per Approved Annual Action Plan of the company.

The CSR policy and any modifications made thereof, once approved by the Board, shall be displayed on the website of the Company.

16. Impact Assessment:

The Company shall undertake impact assessment of its CSR projects, wherever applicable, and the impact assessment reports shall be placed before the Board of Directors and shall be annexed to the Annual Report on CSR.

Further, the expenditure incurred by the Company on impact assessment may be booked as CSR expenditure for the relevant financial year, subject to a maximum limit as mentioned in relevant rules.

17. Treatment of Surplus:

Any surplus generated from an Ongoing Project undertaken by the Foundation shall be separately identified, tracked, and credited to the CSR Corpus of the Foundation. Such surplus shall not form part of the normal business profits of the Company. The surplus so generated shall be transferred to the Unspent CSR Account of the Company within the timelines as mentioned in the Act. Such surplus shall be utilized in pursuance of the CSR Policy and the Annual Action Plan within the timelines prescribed under the Companies Act, 2013 and the rules made thereunder.

18. Grievance Redressal Mechanism:

Level I	Grievance can be expressed by the aggrieved formally in writing or informally through verbal communication: **Address:** IIFL Foundation, 28, Manohar Vihar, Behind St. Anthony's Cricket Academy, Udaipur – 313 001. Rajasthan. **Contact Person:** Mr. Rajiv Shinde / Mr. Sahil Hamid **Email:** rajiv.shinde@iifl.com / sahil.hamid@iifl.com **Phone:** 74000 47056 / 92053 81618 **Estimated response time**: 7 - 10 working days Closing of query: 21 days All the complaints made orally, in person or on phone shall be recorded in writing by the representative who receives it.
Level II	In case of dissatisfaction with the response or resolution extended by the aggrieved may choose to escalate the grievance Level II formally in writing or informally through verbal communication. **Address**: IIFL Foundation, 8th Floor, Hubtown Solaris, N.S. Phadke Marg, Andheri – East, Mumbai. **Contact Person**: Ms. Madhu Jain / Ms. Geetha Menon. **Email**:csr@iifl.com **Phone:** 91366 89955 / 98203 19269 **Estimated response time:** 7 - 10 working days **Closing of query**: 21 days
Level III	The highest and ultimate authority for redressal of grievance shall be the

	Stakeholders' Relationship Committee. The complainant can contact the Company Secretary for approaching the Stakeholders' Relationship Committee at governance@iifl.com

19. Effective Date:

The policy is effective from April 26, 2023.

20. Policy Review:

- This This CSR Policy shall be reviewed from time to time, as and when the Board deems it necessary, and suitable modifications/improvements shall be made as required.
- This CSR policy shall be subservient to the provisions of the Companies Act, 2013, and Rules made there under, as amended from time to time.

21. Contact

For queries related to CSR policy, please write to us at: csr@iifl.com.