

CORPORATE SOCIAL RESPONSIBILITY (CSR)
POLICY



IFL FINANCE LIMITED

(Formerly known as IFL Housing Finance Limited)



CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

➤ CONTEXT

IFL Finance Limited (Formerly known as IFL Housing Finance Ltd) (“IFL FL” or ‘the Company”), being only in 5th year of housing finance business, has built a sustainable business model and created value for its stake holders. As the Company is in the process to emerge as a matured organisation, apart from its endeavor to serve the customers, IFL FL will have a focused approach towards contributing to the society at large.

The Company has an obligation to the society and is committed towards social responsibilities in a meaningful manner. IFL FL shall be responsive, imaginative and sensitive to the social needs in the same manner in which it treats its customers, business associates, shareholders and employees.

➤ APPLICABILITY

Section 135 of the Companies Act, 2013 has made Corporate Social Responsibility (CSR) as a mandatory provision for prescribed Companies to contribute for the welfare of the society. The said section has to be read along with the Rules prescribed by the Companies Act 2013 for implementation of CSR.

As per Sec135 of the Companies Act 2013, every company that satisfies any one of the below mentioned criteria for applicability of provision of CSR:

- i) Turnover of Rs.1000 Crore
- ii) Net worth of Rs.500 Crore
- iii) Net Profit of Rs.5 Crore

➤ OBJECTIVE

The CSR policy of the Company will ensure an effective and sustained CSR programme which will manifest in the form of a progressive, socially responsible and enlightened attitude. CSR activities will be environment friendly and conducive to growth.

➤ GUIDING PRINCIPLES

CSR policy of the Company will create social and environmental value. The Guiding Principles for undertaking CSR framework by the Company is as under:

- (a) **Sustainability:** CSR activities would help in building a positive image of the Company in public perception. CSR projects will be closely linked with the principles of sustainable development.
- (b) **Accountability:** CSR initiatives of the Company will be guided by section 135 of the Companies Act, 2013 and National CSR Guidelines issued by the Government of India from time to time. Effective monitoring would be done to ensure that the benefits accruing are as per expected levels.



- (c) **Transparency:** Company will undertake ethical business practices building on existing systems for maintaining transparency and accountability. Company will publicise CSR activities to the extent possible for the purpose of awareness creation, stakeholder information and brand value enhancement. The company will also incorporate details of CSR activities in its Annual Report.

➤ **FOCUS AREAS FOR CSR INITIATIVES**

The broad frame work for CSR initiatives recommended to be undertaken by the Company would be as per section 135 and schedule VII of Companies Act, 2013 as amended from time to time.

- 1) **Hunger, Malnutrition and Health:** Contribute towards eradicating extreme hunger, malnutrition, promoting healthcare and sanitation, and make available safe drinking water and general hygiene for the targeted segment. Establishing day care centres for underprivileged and differentially abled children.
- 2) **Education:** Promoting education for economically weaker section/migratory construction site workers and their children, women and differently abled and livelihood enhancement projects; monetary and material contributions to academic institutions promoting education for the underprivileged, with an aim of assisting students in their studies.
- 3) **Gender Equality, Empowerment of Women and care for Senior Citizens:** Promoting gender equality and empowering women; setting up homes and day care centres for women and orphans; assist/co-partner in setting up of old age homes for senior citizens.
- 4) **Environmental Sustainability:** Ensuring and encouraging environmental sustainability projects; encourage usage of environmental friendly alternate sources of energy and power. Protection of flora and fauna and animal welfare.
- 5) **National Heritage, Art and Culture:** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and work of art. Participate and contribute towards activities promoting and developing traditional art and handicrafts.
- 6) **Others:** In case of any natural calamity/disaster contribute towards Prime minister relief fund and/or fund efforts towards disaster management, including relief, rehabilitation and reconstruction activities or any specific fund maintained by Central/state Government of India; measures for welfare and benefit of armed forces veterans, war widows and their dependents.

➤ **PARTNERING ORGANISATIONS**

The Company would be undertaking the CSR activities by making contributions to not for profit company or society or trust including specific funds maintained by the Central/state Government of India such as Prime Minister Relief Fund. The contributions to such organisations will be governed by the Letter of Commitment issued by IFL FL as approved



by the Board of the Company. The Company shall ensure that the said trust/organisations have impeccable track record of service, performance, transparency and accountability. All the aforementioned organisations will be referred as “Partnering NGOs” in this policy. Company will ensure that the agencies through whom the programmes are identified/ planned fulfil the following conditions:

- The NGO/Agency has a permanent office/address in India;
- Registered society under Societies’ Registration Act or a Not for Profit Section 8 Company or a registered trust under Indian Trust Act;
- A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature;
- Possess a valid Income-tax Exemption Certificate;
- Or any other entity according to the Companies (Corporate Social Responsibility Policy) Rules, 2014, (rule 4) and amendments.

➤ **CSR GRANT**

As per section 135 of the Companies Act, 2013, at least 2% of the average net profits of the Company made during the immediately preceding three financial years shall be spent on CSR initiatives. The budgetary allocation which is unspent will not be taken back to the Profit and Loss account of the Company. The Board will report unspent CSR amount in its annual report to the shareholders along with the reasons for the same.

➤ **CSR COMMITTEE**

As per section 135 (9) of the Companies Act, 2013, no Constitution of CSR Committee is required where CSR Expenditure does not exceed Rs. 50.00 Lakhs. Therefore, the function of CSR Committee of the Company shall be discharged by the Board of Director of the Company.

➤ **CSR ACTIVITIES**

Out of the abovementioned activities, the Company currently plans to support, partner and assist various CSR activities supporting only the following area through its partnering NGOs in any combination of amount.

Area	Action
Hunger, poverty, malnutrition, health care and differently abled persons	IFL FL will work with NGO(s) working as a day care center for medical or health related projects. Those who are providing support to people suffering Mental Illness i.e. assist in treatment of patients suffering from mental disorder and to serve for their basis regular day to day needs like Food, Clothes, etc., At selected sites, IFL FL will provide health care and other facilities to people suffering from Mental Disorder. IFL FL will partner with organizations working towards rehabilitation of physically or mentally challenged children/adults.
Environmental Conservation	IFL FL will also contribute and participate in activities

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	related to protection and welfare of animals i.e. their shelter, food, etc.
Miscellaneous	Contribute towards Prime minister relief fund or any specific fund maintained by Central/state Government of India such as contribution towards incubators funded by Central or State govt. or any agency or Public Sector undertaking of Central or State govt., and contributions to public funded universities, IITs, National Laboratories and Autonomous Bodies(established under auspices of ICAR, ICMR, CSIR, DAE, DRDO, DST and Ministry of Electronics and Information Technology), engaged in conducting research in science, technology, engineering and medicine aimed at promoting SDGs; measures for welfare and benefit of armed forces veterans, war widows and their dependents.

➤ **PERFORMANCE MONITORING AND PAYMENTS**

It is recognized as critical to success of CSR Activities. Effective monitoring would be done to ensure that the benefits accruing are as per the expected or envisaged levels. The Utilisation Certificate duly signed by the authorized person of the Partnering NGOs, should cover the details of all the expense made towards the intended CSR activities of the company.

➤ **SUPPORT EMPLOYEE ENGAGEMENT IN CSR ACTIVITIES**

IFL FL supports involvement of its employees in CSR activities. IFL FL will encourage employees to participate in CSR activities of the Company.

➤ **COMMUNICATION OF OUTCOMES**

Company will publicize CSR Activities to the extent possible for the purpose of awareness creation, stakeholder information and brand value enhancement. The Company will release its CSR report as a part of its Annual Report of the respective year.

➤ **REVIEW OF CSR POLICY**

The CSR policy shall be reviewed annually.

Note: CSR Policy has been duly approved by Board of Directors at the Board Meeting held on 6th April 2026.