



Corporate Social Responsibility (CSR) Policy



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1. INTRODUCTION

True Credits Private Limited (“the Company or True Credits”) is Non-Systematically Non – Deposit taking Non-Banking Financial Company (‘NBFC- ND - NSI’) under section 45-IA of the Reserve Bank of India Act, 1934. The Company received the Certificate of Registration vide Registration No. N - 14.03510 from the RBI on 04th October, 2019, enabling the Company to carry on business as a Non-banking Finance Company without acceptance of public deposits.

As a responsible Corporate Citizen, it is imperative that the business of the company is undertaken in a responsible and fair manner with all the stakeholders. True Credits is committed to and conducts its business activities lawfully and in a manner that is consistent with its compliance obligations and meets the highest ethical standards.

2. OBJECTIVES

With the introduction of CSR regulations under the Companies Act, 2013, the corporates now have a legal mandate to actively support and undertake their responsibilities towards the society at large. The Company pledges itself for the continued CSR activities within the corporate policy framework. This Policy shall be read in line with section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars and notifications (collectively referred hereinafter as ‘Regulations’) as may be applicable and as including any amendment from time to time.

3. CSR ACTIVITIES

The Policy recognizes that CSR is not merely a compliance; it is a commitment to support initiatives that measurably protect environment, spread/promote education, and improve the lives of underprivileged. CSR activities that may be undertaken by the Company shall include all the items or activities that are not recognized as such under the regulations as amended from time to time.

The Company may focus on the following activities:

- a. Eradicating, hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to Swach Bharat Kosh set by the Central Government for promoting sanitation and making available safe drinking water;
- b. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and

livelihood enhancement projects;

- c. 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;
 - d. 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 or rejuvenation of river Ganga;
 - e. 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;
 - f. measures for the benefit of armed forces veterans, war widows and their dependents; Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - g. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
 - h. contribution to Prime Minister's National Relief Fund or or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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, other backward classes, minorities and women;
 - i. (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).

j. rural development projects;

k. slum area development;

l. disaster management, including relief, rehabilitation and reconstruction activities; and

m. such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time.

4. MODALITIES AND IMPLEMENTATION SCHEDULE FOR EXECUTION OF PROJECTS OR PROGRAMS OR CSR ACTIVITIES

The Company will undertake its CSR activities, approved by the Board either directly or through a Registered Trust or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013 or even to collaborate with other entities as approved by the Board of Directors. The implementation Schedule for CSR activities will be dependent on the availability of eligible projects. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the Company.

5. EXPENDITURE

The Company shall endeavour to spend, in every financial year at least 2 per cent of the average net profits of the Company made during the 3 immediately preceding financial years for CSR Policy. The Company may use the CSR capacities of their own personnel in executing the CSR activities and also effectively monitoring the same but such CSR expenditure shall not exceed 5% of its total CSR expenditure in one financial year.

6. LOCATION OF CSR EFFORTS/ACTIVITIES

The Regulations provides that the corporates shall give preference to the local area and areas around where it operates, for spending the amount earmarked for CSR activities. However, the Board may also recommend any specific area or location, where in its opinion, the CSR activities of the Company would be highly beneficial to the interests of the society at large.

7. RESPONSIBILITIES OF BOARD

The responsibilities of the Board in regard to CSR includes:

- a) Reviewing the CSR policy and recommending the activities and initiatives to be undertaken by the Company;
- b) Recommending the amount of expenditure for CSR activities for every Financial Year;
- c) Ensure CSR activities are being undertaken by the Company; and
- d) Monitoring CSR activities from time to time.

8. REPORTING AND DISCLOSURE

The Company shall provide, in prescribed format as set out under Companies (Corporate Social Responsibility Policy) Rules, 2014, the details of CSR initiatives and activities in its Director's report. Further, the same will also be placed on the website of the Company, if any.

9. REVIEW OF POLICY

This policy will be reviewed at least annually (and submitted to the Board for approval) and upon any changes in the prescribed regulatory framework or upon specific instructions of the regulator, whichever is earlier.