



Grameen Development & Finance Private Limited

Corporate Social Responsibility Policy

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Name	Designation
Mr. Rajesh Baishya	Manager, Partnership Operations

Revision Trail

Date	Author	Revision Description	Latest Version

Preface:

Grameen Development & Finance Private Limited (GDF) formerly known as M/s Sharnarathi Leasing & Finance Private Limited is a for-profit NBFCMFI registered with Reserve Bank of India, Guwahati. Since our inception, we have been tirelessly striving to make a difference to the poor and the underserved /un-served by delivering necessary financial services in a healthy and transparent manner; in the process developing ourselves to attain our Vision. Our Vision is to emerge as the most preferred MFI supporting hundred thousand livelihoods in the north-eastern part of India by the end of 2018 and thus impact the communities in which we work in a constructive manner.

GDF is the outcome of the Grameen Sahara's long time hard work and dedication in the field of Microfinance. Grameen Sahara is incorporated as a not for profit organization under the Societies Registration Act, 1860 bearing Regd. No. RS/GOAL/B/50 of 20012002. Since inception, it has endeavored towards bringing changes in the livelihoods of the poor and underprivileged through its different livelihood programs.

The institutional structure of Grameen Sahara would ensure that a part of profits so generated by GDF would be reinvested in certain socially relevant activities as provided under Schedule VII of the Companies Act 2013. Some of these are as follows:

- Activities to eradicate hunger, poverty and malnutrition.
- Promotion of preventive healthcare, education and gender equality.
- Setting up homes for women, orphans and the senior citizens.
- Undertaking measures for reducing social and economic inequalities.
- Ensure environmental sustainability, balance in the ecology and welfare of animals.
- Protection of national heritage, art and culture.
- Taking measures for the benefit of armed forces veterans, war widows and their dependents.
- Provide training to promote rural, nationally recognized, Paralympic or Olympic sports.
- Contribute to Prime Minister's National Relief Fund or any other fund which has been set up by the Central Government for socio-economic development, relief and welfare of SC, ST, OBCs, minorities and women.

GDF envisages increasing its social and environmental commitment by way of integrating the CSR guidelines in its business while devising a strategy to invest its CSR fund in certain socially beneficial outcomes.

CSR Strategy of GDF

The CSR Model of GDF

GDF will invest a part of its profits as decided by the management and approved by the Board, in programs run by partner organizations. In recent times Grameen Sahara will be GDF's main partner organization implementing the programs. The programs undertaken in this regard shall exclude the activities in pursuance of normal course of business of GDF or any programs run by Grameen Sahara. GDF however, in the later years would be open to partner with a varied range of well-established NGOs, government bodies or community representatives for its CSR activities.

GDF's fund for CSR will not be in any case used for programs run by Grameen Sahara though they fall under the activities approved in Schedule VII of the Companies Act. Such an arrangement has been made to ensure that the eligible CSR amount are channeled and encouraged to spend for socially and environmentally beneficial activities. For smooth operation of its CSR activities GDF would encourage employee engagement and volunteers to participate in the developmental activities.

Roles and Responsibilities

The CSR strategy of GDF will revolve around the roles and responsibilities performed at each level by the stakeholders.

CSR Committee:

GDF will have a CSR committee having the following roles and responsibilities:

- Developing a CSR strategy
- Devising a detailed plan
- Planning on the expenses to be incurred
- Making plans on the types of activities to be undertaken
- Specifying the roles and responsibilities of the stakeholders
- Ensuring strict monitoring and evaluating mechanism

Additionally the committee shall review the policy annually, make necessary modifications, take decisions regarding the budget, monitor, control, and report the processes and maintain communication with the stakeholders regarding the developments. The committee members are:

1. Mr. Dandiram Kalita
2. Mr. Saumya Siddhartha Mohan
3. Mr. Rajesh Baishya

Role of Grameen Sahara:

Initially GDF will partner only with Grameen Sahara for implementing its CSR program. However, later on GDF will open its partnership to other reputed NGOs and government bodies. As a partner to the CSR program of GDF, Grameen Sahara will perform the following roles and responsibilities:

- Implement and manage the strategies related to the CSR activities as per policy approved by the CSR committee of GDF
- Evaluate and select programs for implementation
- Monitor the activities of the beneficiaries
- Measure the impact and establish efficient control mechanism
- Prepare the report of the CSR activities and present it to the CSR committee of GDF

All the expenditures related to the implementation of the CSR program by Grameen Sahara would be decided based on the proposal and discussion of the CSR committee of GDF.

Focus Area of GDF

Initially the CSR activities would be carried out in the area of operations of Grameen Sahara. While carrying out the CSR activities GDF's focus would primarily be on **Women Empowerment and Development, Spreading Health Awareness, Child Development, and Financial Awareness**. The activities as mentioned in the Companies Act 2013, would be effectively correlated to these focus areas.

Criteria for Project Selection

The selection of projects depends on the following criteria:

Partner Organizations:

As provided in the Companies Act 2013, GDF will invest in partner organizations which satisfy the following conditions:

- The NGO should be a legally registered organization under one or more of the following:
 - Organization registered under the Societies Registration Act of 1860
 - Charitable companies registered under Charitable and Religion Act 1920
 - Public Trusts registered under the Indian Trust Act 1882;
 - Licensed company under Section 25 of the Companies Act 1956
 - Co-operative Societies

- The NGO/organization should have been registered for a period of minimum three years as on date of submission of their application
- Declaration of basic infrastructure and office equipment
- Verification of Documents to assess financial track record, stability of the organization and organizational profile/ capacity
- Attested Copy of Registration
- Annual Audited Report of last two Financial Years
- Experience certificates and or other relevant documents of past experience in the project area
- List of Board of Directors/ Trustee Executive Committee members, their address and contact numbers
- Evidence of prior experience in the proposed area of work in CSR Projects
- Evidence of specialized knowledge and established track record in the related field

Type of Projects

GDF will invest its CSR fund in projects involving the focus areas as mentioned earlier. The project/s that would be selected would be based on the following:

- Well defined need of the project
- Clear representation regarding addressing the need
- Well defined goals and devised plan to achieve the same
- Clear and definite time lines regarding achievement of the goals
- Transparent estimates of the costs
- Efficient process and well defined metrics to measure the progress at each level of the program implementation

However, it is to be noted that GDF in pursuant to the Companies Act 2013 would not invest its CSR fund in activities/events stated below:

- Event of Marathon
- Event of Award
- Event of Charitable Contribution

- Event of Advertisement
- Event of TV sponsorship programme

Details of CSR Projects for 2016:

For the year 20___, GDF intends to spend Rs. _____ on activities related to its focus areas.

Stages of Execution:

The CSR projects sponsored by GDF and implemented by Grameen Sahara will be executed in the following stages:

Stage 1: Request for applications from organizations

Stage 2: Eligibility quiz to ascertain if an organization meets the basic criteria, guidelines and requirements as per CSR policy of GDF

Stage 3: Invitation to submit a formal proposal

Stage 4: Evaluation of projects on the criteria set by GDF

Stage 5: Identifying suitable projects (as per focus area) for funding

Stage 6: Approval of project

Stage 7: Signing of contract/MoU

Stage 8: Disbursal of CSR funds

Stage 9: Monitoring through indicator metrics

Stage 10: Year-end evaluation of the activities

Stage 11: Meeting of stakeholder to share project outcomes and framing strategies for year ahead

Monitoring Process:

The following Indicator Matrix will be used for monitoring and evaluation purpose of the outcome and output of the projects:

Project Description	Indicators: What metrics are we using?	Source of Verification: How will we verify the source of information?	Assumptions/Threats: What are the threats we anticipate?
Outcome/ Objective of the Project	Metrics used	For example, Impact assessment report:	

-Short Term -Medium Term -Long Term		quarterly, half-yearly or yearly etc.	
Inputs: What are the resources used in the program?	Metrics used	For example, partner organization's agreement and certificates etc.	
Objective 1:	Metrics used	For example, partner organization's agreement and certificates, monthly and quarterly reports etc.	
Output 1:	Metrics used	For example, training application, training registers, reports and monthly progress reports etc.	
Objective 2:	Metrics used		
Output 2:	Metrics used		

Format for Reporting CSR Activities:

The Board's Report will include the Annual Report on CSR Activities. The Report on CSR activities will include the following:

1. Brief outline of company's CSR policy, including overview of projects or proposed programs proposed and a reference to the web-link to the CSR policy.
2. Composition of the CSR Committee.
3. Average net profit of the company for last three financial years
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)
5. Details of CSR spent during the financial year.
 - a. Total amount to be spent for the financial year;

b. Amount unspent, if any;

c. Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project wise	Amount spent on the projects or programs Sub heads: (1)Direct expenditure on projects or programs. (2)Overheads :	Cumulative-expenditure upto to the reporting period	Amount spent Direct or through implementing agency
1.							
2.							
3.							
	Total						

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

(Chief Executive Officer or Managing Director or Director)	(Chairman CSR Committee)
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