

## CSR POLICY

### 1. PREAMBLE

- 1.1. The Company is engaged in the business of: (a) manufacture of spectacles, frames, lenses, prescription sunglasses and prescription reading glasses; (b) wholesale cash and carry trading of certain over the counter eyewear products such as non-prescription sunglasses, non-prescription reading glasses, computer glasses, contact lenses, contact lens solution and accessories such as cleaning solution and anti-fog spray on a B2B basis; and (c) the wholesale cash and carry trading of certain over the counter products in the eyewear and eye related category such as ready to wear frames and eyeglasses on a B2B basis, for distribution of such products through pharmaceutical companies and other pharmacy stores.
- 1.2. In order to become a responsible corporate citizen, the Company wishes to commit itself towards activities which extend beyond its business and include initiatives and endeavours for the benefit and development of the local community and the society at large. The approach of the Company for implementation of the CSR activities will be oriented to identify and formulate projects in response to the need of society, devise transparent monitoring mechanism, and commit involvement to get desired results in a time bound manner.

### 2. TITLE AND APPLICABILITY

- 2.1. This policy encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large. This policy is titled as the 'Lenskart Solutions Private Limited CSR Policy' ("**Policy**").
- 2.2. The Policy has been formulated in consonance with the projects and programs relating to activities specified under schedule VII of the Companies Act, 2013 and Section 135 of the Companies Act, 2013 and rules made thereunder.
- 2.3. This policy shall be effective from the date of its adoption and approval of the Board of Directors of Lenskart Solutions Private Limited.

### 3. DEFINITIONS

- 3.1. The words and expressions used in this Policy are defined as under –
  - (a) "**Act**" means the Companies Act, 2013.
  - (b) "**Administrative Overheads**" means the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
  - (c) "**Agency (or Agencies)**" means any Section 8 Company or a registered trust / society / NGO / institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary Company/companies.

- (d) "**Approved Budget**" shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
- (e) "**Average Net Profit**" shall be net profit of the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013.
- (f) "**Board**" means Board of Directors of the Company.
- (g) "**Company**" means Lenskart Solutions Private Limited.
- (h) "**CSR Committee**" mean a Committee of the Board of Directors of the Company constituted under provisions of Listing Regulations and Companies Act, 2013 read with Rules thereto constituted for the purpose of undertaking CSR Projects in accordance with applicable law.
- (i) "**Corporate Social Responsibility (CSR)**" means the responsibility of the Company to undertake the projects and programmes relating to the activities covered under the subjects enumerated in Schedule VII of the Act and approved by the Board in pursuance of recommendations of the CSR Committee, if any.
- (j) "**CSR Activities**" means the activities proposed to be undertaken by the Company for the discharge of its Corporate Social Responsibility in accordance with this Policy.
- (k) "**CSR Rules**" means the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified on 27th February, 2014 by the Government of India, Ministry of Corporate Affairs and any amendments thereof from time to time.
- (l) "**CSR Annual Plan**" shall mean the annual plan detailing the CSR Projects and expenditure towards the respective projects during any financial year.
- (m) "**CSR Projects**" or "**Projects**" means Corporate Social Responsibility projects / activities / programs/ initiatives, instituted in India, either new or ongoing projects, and includes, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company.
- (n) "**Minimum Spending Requirement**" shall mean the minimum amount to be spent on CSR activities as prescribed under section 135 of the Companies Act 2013, and the rules made thereunder.

*The words and expressions used and not defined in this Policy shall have the same meanings respectively assigned to them in the Act or CSR Rules.*

#### **4. REPORTING, COMPOSITION, QUORUM AND MEETINGS**

- 4.1. The Board shall have oversight over CSR Committee and the CSR Committee shall oversee the implementation and compliance of CSR Projects. The CSR Committee shall recommend the Annual Action Plan required under the Rules to the Board for its approval.
- 4.2. The Board has constituted a CSR Committee in accordance with Section 135 of the Companies Act, 2013, and Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee shall consist of at least three directors, including:
  - (a) A minimum of one independent director; and

(b) Such other directors as may be required under applicable law.

4.3. The CSR Committee shall meet as and when required.

4.4. The Company Secretary shall act as the Secretary to the Committee.

## **5. ROLE OF THE CSR COMMITTEE**

5.1. The CSR Committee shall:

- (a) formulate and recommend the CSR Policy to the Board, including the CSR Annual Plan and the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- (b) recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities which, to the extent applicable, in each financial year, will be at least 2% of the Average Net Profits of the Company made during the three immediately preceding financial years, calculated in accordance with Section 198 of the Companies Act, 2013.
- (c) institute a transparent monitoring mechanism for implementation of CSR Projects or programs or activities undertaken by the Company.
- (d) monitor the implementation of the CSR Policy from time to time and create mechanisms for tracking performance of identified projects or programs.
- (e) submit reports to the Board in respect of the CSR activities undertaken by the Company.
- (f) discharge such other functions as the Board may deem fit to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, as amended.

## **6. ROLE OF THE BOARD**

The Board shall:

- 6.1. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- 6.2. Disclose contents of the CSR Policy in its report.
- 6.3. Ensure that as and to the extent applicable, in each financial year the Company spends at least 2% of the Average Net Profits of the Company made during the three immediately preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy.
- 6.4. Satisfy itself regarding the utilization of the disbursed CSR fund.

## **7. CSR PLAN**

7.1. The Company shall prepare its Annual CSR Plan once in each Financial Year according to the availability of resources, on approval of the Board.

7.2. The CSR activities (Projects / Programmes) which the Company plans to undertake shall be the activities falling within the purview of Schedule VII of the Companies Act, 2013 as amended from time to time and this Policy (specifically clause 8 below) and will not (a) be exclusively for

the benefit of the employees of the Company; or (b) include the activities undertaken in pursuance of normal course of business of the company.

## 8. CSR VISION AND IMPLEMENTION BY LENSKART

- 8.1. The Company proposes to discharge its Corporate Social Responsibility either through Agency (or Agencies) and / or also through a company formed by it under section 8 of the Companies Act, 2013 i.e. Lenskart Foundation. Lenskart Foundation is a not for profit/charitable organization which aims at creating awareness and eradicating refractive error based blindness from the country, using technology as an enabler.
- 8.2. Through Lenskart Foundation, the Company proposes to work in the field of preventive eye healthcare for needy and impoverished sections of the society. The extent of the problem that the Company proposes to solve through its CSR Activities becomes clear from the following facts:
  - a) 53% of India's population needs eyeglasses.
  - b) Lack of eyeglasses contribute 20% to blindness burden.
  - c) Poor vision leads to 1.7% shrinkage in GDP.
  - d) For every 1,15,000 people there is one optometrist.
  - e) Refractive error is the second highest cause of blindness in the country.
- 8.3. Through Lenskart Foundation, the Company proposes to solve the issue through a multi-pronged approach:
  - a) **Awareness:** Making consistent efforts and taking steps towards spreading awareness about importance of vision correction and care, using technology as an enabler;
  - b) **Accessibility:** Developing and supporting low cost technology and products to make vision care accessible in all nooks and corners of the country.
  - c) **Advocacy:** To advocate inclusion of vision correction as an issue of national concern in government's healthcare initiatives.
- 8.4. Specifically, the Company proposes to engage in the following CSR Activities as approved by the Board and the CSR Committee:
  - a) To work in the area of vision correction for all sections of the society by making consistent efforts and steps towards spreading awareness about vision correction, developing low cost technology that enables us and others to make vision care accessible in all nooks and corners of the country.
  - b) To reduce the number of visually challenged population in India, by providing affordable/costless eye care services accessible to all sections of society through innovative eye care models.
  - c) To organize free screening camps at various places and providing required help through spectacles and also organizing awareness activities to spread the message to look out for early signs of irreversible eye diseases which can lead to blindness and the importance of annual eye screening with timely management of the disease.
  - d) To achieve maximum reduction in avoidable blindness by providing high quality affordable eye care to the affected population, developing institutional capacity for eye care services by providing support for equipment, materials, and training personnel.

- e) Strengthening and upgradation of technology to enable accessible vision care. Bolstering the existing infrastructural facilities as well as developing additional trained human resource for providing high quality comprehensive eye care across the country.
- f) To enhance community awareness on eye care, laying stress on preventive measures and increasing and expanding research for prevention of blindness and visual impairment.
- g) To advocate the inclusion of vision correction in various government's healthcare programs.
- h) To constitute and enable constitution of regional centres at convenient places in India to promote the objectives of the Foundation.
- i) To co-operate with approved institutions and interested bodies for the purpose of helping people (entities which are registered as eligible CSR Implementing Agencies under Rule 4 of the CSR) Rules).
- j) To provide education or educational facilities to underprivileged and/or blind children

8.5. For the CSR Activities set out above, the Company will annually recommend the CSR programmes and projects to the Board and CSR Committee for its approval. The Board of Directors of the Company and CSR Committee will plan and monitor the expenditure of CSR activities. The monitoring of CSR Projects will be undertaken periodically and if required through field visits as well and inform the Board the details and progress of the implementation. Monitoring process for CSR Projects shall include the following:

- a) Evaluation of planned progress V/s actual progress; and
- b) Actual expenditure V/s expenditure as per the Approved Budget

*While the primary focus may be on vision correction and eye care, the Company may also support other activities as listed in Schedule VII, based on community needs and strategic alignment.*

## **9. RESOURCES**

### ***Funding & Allocation***

- 9.1. For achieving its CSR objectives through implementation of meaningful and sustainable CSR programmes the Company shall endeavour to allocate the following as its Annual CSR Corpus:
- a) 2% of average net profits made during the three immediately preceding financial years, as prescribed under the Companies Act, 2013 and the Rules;
  - b) Any income arising therefrom; and
  - c) Surplus arising out of CSR activities.

It is clarified that surplus arising out of CSR projects/ programs shall not form part of business profits of the Company and the same shall be ploughed back for use in CSR activities.

### ***Surplus from CSR activities***

- 9.2. Any revenue, returns, and profits, arising from any of the CSR activities, projects or programmes shall not form part of the business profit of the Company and shall be invested into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

### ***Set-off excess CSR spent***

9.3. Any amount which has been spent in excess of the Minimum Spending Requirement, such excess amounts may be set off against the Minimum Spending Requirement to spend up to immediate succeeding three financial years subject to conditions that:

- The excess amount available for set off shall not include the surplus arising out of CSR activities.
- The Board of the Company shall pass a resolution to this effect.

## **10. TRANSFER OF UNSPENT CSR AMOUNT**

10.1. The unspent CSR amount, if any, shall be transferred by the Company to any fund included in Schedule VII of the Act or as may be specified from time to time.

## **11. CSR COMMITTEE**

11.1. Pursuant to Section 135(9) of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2020, a company is exempt from the requirement to constitute a Corporate Social Responsibility (CSR) Committee where the amount to be spent under Section 135(5) does not exceed ₹50 lakh in a financial year. In such cases, the functions of the CSR Committee shall be discharged by the Board of Directors.

11.2. Considering that the CSR obligation of the Company under Section 135(5) for the financial year 2022–23 does not exceed ₹50 lakh, the functions of the CSR Committee shall, for that period, be discharged by the Board of Directors. Once the prescribed threshold is exceeded in any subsequent financial year, the CSR Committee shall be reconstituted or shall assume its full roles, responsibilities, and obligations as set out in this Policy and under applicable law.

11.3. Notwithstanding the above, as a listed entity, the Company remains subject to Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”), which mandates the constitution of a CSR Committee, regardless of the monetary threshold under the Companies Act. Accordingly, the Company shall continue to maintain and operate its CSR Committee in compliance with SEBI LODR, even in financial years where the CSR spend is below ₹50 lakh.

## **12. IMPLEMENTATION**

12.1. CSR Programs shall be implemented with active participation of the local community, and synergised with objectives undertaken by governments at various levels. While all CSR programs will be focused across the nation, the Company shall give preference to the local areas where the Company operates.

12.2. While identifying long term programmes, all possible efforts shall be made to define the following:

- a) Programme objectives
- b) Baseline survey- It would give the basis on which the outcome of the programme would be measured.
- c) Implementation schedules - Timelines for milestones of the programme.
- d) Responsibilities and authorities
- e) Major results expected and measurable outcome.

*Powers for approval*

- a) The Company shall formulate and recommend to the Board a CSR policy of the Company for a Financial Year including the amount of expenditure to be incurred on CSR programs, projects and activities.
- b) The Board shall, consider and approve the CSR Policy as it may consider appropriate.
- c) The Board shall ensure that Company spends the requisite amounts specified under the Companies Act, 2013 on CSR activities failing which it shall specify in its report the reason for not spending the amount.
- d) The Board may delegate necessary powers for execution and implementation of the CSR Policy. The delegation shall also include powers for meeting the requirements arising out of immediate and urgent situations.

### **13. MONITORING AND FEEDBACK**

13.1. To ensure effective implementation of the CSR programmes, the Company shall put in place, suitable monitoring mechanism.

- a) The progress of CSR programmes under implementation will be reported to the Chairman, as and when required.
- b) CSR Policy will be displayed on the Company's corporate website.
- c) The expenditure for the Financial Year will be tracked and reported to the board members as and when required. It is mandatory for Lenskart Solutions Private Limited to disclose its CSR policy, Programs/ project undertaken and the expenditure made towards CSR activity in the Board Report forming part of Annual Report.
- d) An Annual report on CSR containing the particulars as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 shall form part of Annual Report of the Company.

### **14. DISPLAY OF CSR ACTIVITIES**

The composition of CSR Committee, CSR Policy and Projects approved by the Board shall be displayed on the Company's website.

### **15. IMPACT ASSESSMENT**

Impact assessment, if and when mandated, shall be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

### **16. AUTHORITY TO MAKE AMENDMENTS**

- 16.1. The Board is, subject to applicable laws, entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.
- 16.2. In case of any doubt with regard to any provision of the CSR Policy and also in respect of matters not covered herein, a reference should be made to the General Counsel. In the event of any conflict between the provisions of this Policy and of any relevant applicable law, such applicable law in force, from time to time, shall prevail over this Policy.