

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY & BOARD APPROVED CSR  
PROJECTS FY 2023-2024**

**1. INTRODUCTION**

At Nissan Renault Financial Services India Private Limited (NRFSI), we align Nissan corporate goals and its Philanthropic goal “ to realize a cleaner, safer and more inclusive society.”

**2. DEFINITIONS**

In this policy, unless the context otherwise requires:

- ‘CSR’ means Corporate Social Responsibility as defined in Rule (c) of Companies (Corporate Social Responsibility Policy) Rules, 2014.
- “The Company” or “NRFSI” means and refers to ‘Nissan Renault Financial Services India Private Limited’, a Private Limited Company incorporated under the laws of India having its registered office at VBC Solitaire, 5th Floor, 47 & 49 Bazullah Road, T. Nagar, Chennai - 600017 or such other place as may be specified.
- “Section” refers to Section 135 of the Companies Act, 2013 as amended from time to time unless specifically mentioned.
- “Rules” refers to Corporate Social Responsibility Policy, Rules under Companies Act, 2013 as amended from time to time.
- “Group entities” in India shall mean entities having business in India under Nissan and/or Renault brand
- “Ongoing Project” means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

Definitions under this policy have the same meaning and reference as per the Companies Act, 2013 and its rules.

**3. OBJECTIVE**

CSR policy focuses on addressing critical social, environmental, and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with our Group entity(s) as and when required across different areas / programmes identified by NRFSI / Group entities (as the case may be).

NRFSI shall undertake all activities that are always in compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act 2013 and the Rules framed thereunder.

#### **4. GOVERNANCE**

The CSR committee shall consist of three or more Directors as re-constituted by the Board from time to time. It shall:

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII];
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) monitor the Corporate Social Responsibility Policy of the company from time to time.

Members of NRFSI CSR COMMITTEE is listed below:

- Mr. Rakesh Kochhar, Chairman
- Mr. Mr. Shishir Bhushan, Non Executive Director
- Mr. Harmandeep Singh Walia, Managing Director
- Mr. Diogo Novo Cesarino, Director

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

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

Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

#### **5. PROJECTS / PROGRAMS / ACTIVITIES UNDER CSR**

The company shall endeavour to give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities as mentioned and allowed in Schedule VII of the Companies Act, 2013 as amended from time to time.

#### **6. CONTRIBUTION/IMPLEMENTATION OF CSR PROJECTS**

The Company shall undertake CSR activities by itself or through organisation in accordance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

#### **7. CSR SPEND AMOUNT**

Every year, the Company is required to spend atleast (minimum) 2% of its average Net profit (as defined under Section 135 read with CSR Rules) made during the three immediately preceding financial years, on the CSR Activities.

### **8. UN-SPENT CSR AMOUNT**

If the company fails to spend minimum CSR amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Until a fund is specified in Schedule VII for the purposes of subsection (5) and(6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

### **9. EXCESSIVE AMOUNT SPENT ON CSR**

If the company spends an amount in excess of the requirements provided under sub-section 5, it may set off such excess amount against the requirement to spend under sub-section 5 for such number of succeeding financial years and in such manner, as may be prescribed

### **10. CSR EXPENDITURE**

- A. The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- B. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the unspent CSR account and spent in pursuance of 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.
- C. In case company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that
  - the excess amount available for set off shall not include the surplus arising out of the csr activities, if any, in pursuance of sub-rule (2) of rule 7.
  - the board of the company shall pass a resolution to that effect.

- D. CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –
- a company established under section 8 of the act, or a registered public trust or registered society, having charitable objects and CSR registration number under sub-rule (2) of rule 4; or
  - beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - a public authority

### **11. IMPACT ASSESSMENT**

In case, Company is having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the act, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the board and shall be annexed to the annual report on CSR

Company undertaking impact assessment may book the expenditure towards corporate social responsibility for that financial year, which shall not exceed 2% of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

### **12. DISCLOSURE AND REPORTING REQUIREMENTS**

The Company discloses the CSR policy including the composition of the CSR Committee and Projects approved by the Board if any on its website.

The Board's Report of the Company shall include the annual report on CSR containing particulars as specified under the Act and Rules.

The Company shall submit the applicable returns as prescribed under the CSR Rules.

### **13. AMENDMENT TO CSR POLICY**

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time. The Policy shall be reviewed from time to time to keep abreast with the changing requirements and any amendments by the Ministry of corporate Affairs shall mutandis mutatis apply to this policy as and when the amendments are notified.

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**CSR Projects approved by Board for FY 2023-24 as per Schedule VII of the Companies Act, 2013.**

- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Central 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 Schedule Tribes, other backward classes, minorities and women.

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