



**NIXA FINCAP PRIVATE LIMITED (Formerly known as XANDER FINANCE PRIVATE LIMITED)
(‘NFPL’)**

CORPORATE SOCIAL RESPONSIBILITY POLICY (‘CSR Policy’)

Date of review: Reviewed in the Board Meeting held on February 25, 2025

1. PREFACE

Nixa Fincap Private Limited (“NFPL”) is a non-deposit accepting Non-Banking Financial Company (‘NBFC’) registered with Reserve Bank of India (‘RBI’) vide NBFC registration no. B-13.02083. Further, as per the Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation), Directions, 2023 dated October 19, 2023, as amended from time to time, NFPL is being classified as base layer NBFC having customer interface and not availing public funds.

NFPL aims at conducting its business in a way that NFPL achieves its business goals and objectives with a due consideration of the community's economic, environmental and social aspirations and therefore commits to integrate Corporate Social Responsibility (‘CSR’) with its business processes.

NFPL has developed this policy titled 'Corporate Social Responsibility Policy' (‘CSR Policy’) encompassing NFPL's philosophy for being a responsible corporate body and lays down the principles and mechanism for undertaking various programme in accordance with *Section 135 of the Companies Act, 2013* (the 'Act') read along with the rules and schedules framed therein for the Companies at large.

The terms mentioned in the policy shall have meanings as defined under the provisions of the Companies Act, 2013 (“Act”), the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 as amended from time to time.

2. CSR COMMITTEE & COMPOSITION

CSR Committee should comprise of such members of the Board as may be decided by the Board from time to time and there should be minimum three (3) members in the CSR Committee at any point in time. As per the Act, the requirement of constitution of CSR Committee shall not be applicable in case the amount required to be spent on CSR does not exceed Rs. 50 lakhs and the functions of such committee would be performed by the Board of directors of NFPL.

3. CSR COMMITTEE MEETINGS

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities.

4. CSR PROGRAMME & PROJECTS:

NFPL will consistently explore and undertake CSR Programme/ Projects relating to the activities in any of the fields enumerated below with a preference to carry on such activities within the local area(s) around it, wherever it operates:



- Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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 for rejuvenation of river Ganga;
- 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;
- 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;
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund 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;
- 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;
- 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);
- Rural development projects;
- Slum area development, including facilities for building construction workers and families;
Explanation- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- Disaster management, including relief, rehabilitation and reconstruction activities.

5. ANNUAL ALLOCATION OF CSR ACTIVITIES

NFPL shall endeavor that fund to the tune of at least 2% of the ‘average net profits before tax’ during the immediately preceding three financial years as prescribed under section 135 of the Act and rules made thereunder is allocated towards the CSR programme/ projects as mentioned above. The CSR Committee will recommend the allocation of funds for each programme or project or activities for approval by the Board.

NFPL may collaborate or pool resources with other organizations or companies or entities within the same group to undertake CSR activities.

6. IMPLEMENTATION PROCESS

- CSR programme / projects to be undertaken by NFPL will be identified by the CSR Committee;
- The Board shall ensure that CSR activities are undertaken by NFPL through:
 - (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company either singly or along with any other company, or
 - (b) 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
 - (c) any entity established under an Act of Parliament or a State legislature; or
 - (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- NFPL shall register itself with the Central Government by filing the form CSR -1 electronically with the Registrar, which should be duly signed and verified digitally by the practicing Chartered Accountant or a practicing Company Secretary or a practicing Cost Accountant, with effect from 01st April, 2021, it should be further noted that this shall not be applicable for the CSR projects or programmes approved prior to 01st April 2021. On submission of the form CSR -1 on the portal, a unique CSR registration number shall be generated by the system automatically
- NFPL may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of its own personnel for CSR. NFPL may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committee of the respective companies are in a position to report separately on such projects or programmes in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (as amended from time to time).

- The CSR Committee shall recommend the CSR programme/ projects, specifying modalities of its execution and the amount of expenditure to be incurred on the programme/ projects;
- Upon recommendations of the CSR Committee, the Board shall specifically approve such CSR projects/programs and the amount of expenditure;
- The time period/ duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the program;
- The mode of implementation of CSR programme/ projects may include a combination of direct implementation or implementation through government, own foundation, charity partners, registered societies, civil societies, social partners etc. NFPL will select its partners after appropriate due diligence;
- In case of ongoing project, the Board of NFPL should monitor the implementation of the project with reference to the approved timelines and year-wise allocation and should be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- NFPL may engage the services of external expert agencies, consultancy firms etc. for carrying out any survey, assessment or report with regards to any CSR programmes/ projects to be undertaken by NFPL;
- Any surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of NFPL;
- The CSR Committee is authorized to settle all queries, differences or doubts that may arise in relation to the implementation of the CSR programmes/ projects as may be approved by the Board.

7. ROLES & RESPONSIBILITIES

a. Board of Directors: The Board of Directors will be responsible for:

- Constitution of CSR Committee;
- Approving the CSR Policy as formulated & recommended by the CSR Committee;
- Upon recommendation of CSR Committee consider and approve CSR programmes/ projects to be undertaken by NFPL and amount of expenditure to be incurred on each of the CSR programme/ projects;
- Ensuring that NFPL gives preference to the local areas around its operations for spending the amount earmarked for CSR programme/ projects;
- Disclosing in its Annual Report names of CSR Committee members, the content of the CSR Policy and ensure annual reporting of its CSR activities on NFPL website and elsewhere as appropriate;
- Ensuring that it specifies the reasons in its report for not spending the allocated amount in case NFPL fails to spend such amount;
- Ensuring the CSR policy, composition of CSR committee and CSR projects as approved are placed on the website of NFPL for public access.

b. CSR Committee: The CSR Committee would

- Formulate and recommend the CSR Policy to the Board for approval; identify specific CSR programme/ projects areas to be undertaken during the financial year at the start of the financial year;
- Recommend to the Board for its consideration and approval CSR programmes/ projects identified and to be undertaken during the financial year which are in lines with the activities specified in Schedule VII and amount of expenditure to be incurred for each programme/ projects;
- formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
 - (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - (b) the manner of execution of such CSR projects or programmes;
 - (c) the modalities of utilisation of funds and implementation schedules for the CSR projects or programmes;
 - (d) monitoring and reporting mechanism for the CSR projects or programmes; and
 - (e) details of need and impact assessment, if any, for the projects undertaken by the company;
- Monitor the CSR Policy, CSR programmes/ projects from time to time and recommend changes to the Board;
- Constitute a transparent monitoring mechanism for ensuring implementation of the CSR programmes / Projects undertaken by NFPL;
- Update the Board on the status of CSR programmes/ projects undertaken by NFPL during the financial year and amount of expenditure incurred.

8. CSR EXPENDITURE:

- The Board of Directors of NFPL shall ensure that the administrative overheads do not exceed 5% of total CSR expenditure of NFPL for the financial year;
- NFPL shall ensure that any surplus arising out of the CSR activities shall not form part of the business profit of NFPL 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 NFPL or such surplus amount shall be transferred to a Fund more particularly specified in Schedule VII of the Act , within a period of six months of the expiry of the financial year;
- If NFPL spends an amount in excess of its CSR obligation, such excess amount can be set off against the mandatory CSR obligation of up to immediate succeeding three financial years subject to the following conditions –
 - (i) the excess amount available for set off should not include the surplus arising out of the CSR activities, if any and
 - (ii) the Board of Directors of NFPL shall approve and pass a resolution to this effect.



- The CSR amount may be spent by NFPL for creation or acquisition of a capital asset, which shall be held by:
 - a) 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 of the Companies (Corporate Social Responsibility) Amendment Rules, 2021; or
 - b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - c) a public authority.

In case if capital asset is created by NFPL prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, it should within a period of 180 (one hundred and eighty) days from such commencement comply with the requirement of the amended rules, which may be extended by a further period of not more than 90 (ninety) days with the approval of the Board based on reasonable justification.

9. MONITORING & REPORTING FRAMEWORK

1. A certificate on utilization of funds contributed towards CSR activities for a financial year should be certified by a Chief Financial Officer if any or any such employee who is responsible for financial management and provided to the Board of Directors for their consideration.
2. The Board's Report of NFPL should include an annual report on CSR containing particulars as more briefly specified under Companies (Corporate Social Responsibility Policy) Amendment Rules, 2014 in the format as prescribed therein.
3. In case if the CSR obligation of NFPL exceeds Rupees Ten crore or more in three immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of its CSR projects having outlays of Rupees One crore or more, and which have been completed not less than one year before undertaking the impact study.
4. The impact assessment reports should be placed before the Board and should be annexed to the annual report on CSR.
5. NFPL may book the expenditure towards CSR for a respective financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or Rupees Fifty lakhs , whichever is less, in case if the impact assessment study is applicable to NFPL for the relevant financial year.
6. All CSR obligations (actual and/or projected) across any Indian entities need to be reported to compliance@xanderfunds.com and Group Portfolio Operations team (lead by Compliance Team) on a quarterly basis – no later than 30 days post end of the quarter.



10. REVIEW

This policy needs to be reviewed by the Board of Directors on an annual basis. The recommendations/changes required to be made in this policy may be suggested by the CSR Committee.

**Approved for and on behalf of the Board of Directors of
Nixa Fincap Private Limited
(formerly known as Xander Finance Private Limited)**

Mansi Gandhi
Company Secretary
ICSI Membership No.: ACS-58471

Date : 31st March, 2025
Place: Mumbai



| Particulars | Date of adoption/ review/ revision |
|--------------------|---|
| Adoption | 7 th September 2015 |
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