

# CSR POLICY

## Table of Contents

1. Introduction
2. Objective
3. CSR Committee
4. Responsibilities of the Committee
5. CSR Activities
6. CSR Funds
7. Undertaking CSR Activities
8. Monitoring
9. Amendment
10. Interpretation
11. Contact



## 1. INTRODUCTION

This Policy shall apply to **Cars24 Services Private Limited ("CARS24" or "Company")** and its respective affiliates, subsidiaries, and group entities incorporated in India (collectively referred to as the **"Entities"**). CARS24 is committed to responsible business growth, focusing on reducing the environmental impact of our operations and enhancing social contributions. Our CSR efforts align with the provisions of Section 135 of the Companies Act, 2013, ensuring economic, social, and environmental sustainability. We aim for inclusive corporate development to foster a just and humane society.

## 2. OBJECTIVE

CARS24 CSR Policy intends to:

- Promote economic development that benefits society while minimizing resource use.
- Take responsibility for the company's actions and create a positive impact on hunger, poverty, malnutrition, the environment, communities, stakeholders, and society.

## 3. CSR COMMITTEE

### Members:

1. Mr. Ruchit Agarwal
2. Mr. Gajendra Kumar Jangid

**Quorum:** Minimum two (2) members shall constitute a quorum for the Committee meeting

## 4. RESPONSIBILITIES OF THE COMMITTEE

The responsibilities of the CSR Committee include:

- Formulating and recommending the CSR Policy and planned activities to the Board of Directors.
- Reporting to the Board on the implementation and monitoring of CSR activities to ensure alignment with the company's CSR objectives and policy.
- Recommending the budget for CSR activities.
- Regularly reviewing and monitoring the CSR policy.
- Ensuring transparent governance and monitoring mechanisms for implementing proposed projects and activities.

## 5. CSR ACTIVITIES

In accordance with the requirements under the Companies Act, 2013, CARS24 CSR activities, amongst others, will focus on:

- **Eradicating hunger, poverty and malnutrition:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- **Education:** Promoting education, including special education and employment enhancing vocational skill especially among children, women, elderly and the differently abled, and livelihood enhancement project; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **Gender Equality and Empowerment of Women:** Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes such as other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **Environmental Sustainability:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro- forestry, conservation of natural resources and maintaining the quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- **National Heritage, Art and Culture:** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.
- **Armed Forces Veterans:** 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.
- **Rural Sport:** training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- **Prime Minister National Relief Fund:** contribution to the 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 govt. for socio

economic development and relief and welfare of the scheduled caste, tribes, other backward classes, minorities and women.

- **Rural Development Projects:** Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihood, thereby creating sustainable villages.
- 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).
- Slum area development and disaster management, including relief, rehabilitation and reconstruction activities.

## 6. CSR FUNDS

The corpus for the purpose of aforesaid activities would include the following:

- 2% of the average net profit of the Company made during immediately preceding three financial years.
- Any income arising therefrom.
- Surplus arising out of CSR activities carried out by the Company shall be ploughed back to the CSR Budget and such surplus will not be part of business profit of the Company.

## 7. UNDERTAKING CSR ACTIVITIES

CARS24 will undertake its CSR activities approved by the CSR Committee, through an entity/organization as approved by the CSR Committee.

The surplus arising out of the CSR activities, projects or programs shall be ploughed back to the CSR Budget and shall not form part of the business profit of the Company.

## **8. MONITORING**

The Company shall adopt a monitoring mechanism that can primarily strengthen the effective implementation of the established initiatives and also redesign implementation strategies, if required, to best achieve our targeted goal.

Regular Monitoring could be done through regular review by the CSR Committee and reporting to the Board on achievement against milestones and objectives.

The Corporation shall be entitled to receive the following information from the Partnering NGOs/Trusts/Societies etc.

- Audited financial statements, including cash flow statements and management accounts within 60 days of the end of the relevant financial year.
- Quarterly operational / progress reports from time to time within 60 days of the end of each month along with a consolidated statement of expense along with the operational / progress reports mentioned above.
- Copies of any other reports or communications received from the auditors relating to its financial position of affairs which is of a material nature.
- Any information or circumstance which may affect or jeopardise the implementation of the Project Plan or the activities of the Partnering NGOs/Trusts/Societies etc. in general.

To ensure steady progress and proper utilization of CSR amount, the following monitoring mechanism may be depending upon the size of contribution and the Partnering NGOs/Trusts/Societies etc.

- Periodic field visits by the person deputed by the Corporation.
- Undertaking sample internal audit of the project / activities.
- Review of the reports submitted by the Partnering NGOs/Trusts/Societies etc.

The CSR Committee may engage external agencies to evaluate the CSR projects and monitor its progress. The Committee would constantly



monitor the implementation of the CSR project and the utilization of the CSR amount.

## **9. AMENDMENT**

The Chief Financial Officer/ Legal Counsel/ Company Secretary/ HR-Head/ CSR Committee of the Company have the rights to amend or modify this policy, at any time and without assigning any reason and revised Policy shall be noted by the Board in any of its forthcoming meetings.

## **10. INTERPRETATION**

If discrepancies exist between this policy and applicable laws, the laws will take precedence.

## **11. CONTACT**

For queries related to the CSR Policy, please write to us at [roc@CARS24.com](mailto:roc@CARS24.com)

### **Edits and version history Annexure:**

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