

**NATIONAL TRUST HOUSING FINANCE LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**Preamble**

In India, the concept of CSR is governed by Section 135 of the Companies Act, 2013, which was passed by both Houses of the Parliament, and had received the assent of the President of India on 29 August 2013.

The practice of CSR in India still remains within the philanthropic space, but has moved from institutional building (educational, research and cultural) to community development through various projects. In doing so, we support to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. In the words of one of the founders Dave Packard **“The betterment of society is not a job to be left to a few. It’s a responsibility to be shared by all.”**

**Reconstitution of CSR Committee**

In terms of section 135 of the Companies Act, 2013 and the Rules made there under, Board of Directors of the Company at its meeting held on 26th March, 2014 had constituted the CSR Committee. The committee has been reconstituted and the following are its members;

1. Mr.Jawahar Vadivelu
2. Mr.A.Subbiah
3. Mr.Alok Aggarwal

The CSR Committee to, inter alia, carry out the following functions;

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder.
- b. To recommend to the Board the amount of expenditure to be incurred on the CSR activities.
- c. To monitor the implementation of framework of CSR Policy.
- d. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

**CSR Activities**

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

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#### **Implementation**

These CSR activities will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc.

The CSR activities will be carried out directly or indirectly at the corporate office of the Company, Subsidiaries and Associates. However, this shall not bar the Company from pursuing its CSR activities in any other areas. The CSR activities will be carried out / implemented, directly or indirectly, through the Company or any other Trust / Society / Section 8 Companies / Agencies established / registered to carry on the CSR activities as defined under the Rules.

#### **Funding and Allocation**

Following is the mode of funding and allocation of area wise planned expenditure for the CSR activities.

1. The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of its Average Net Profits in the immediately preceding three (3) years for the CSR Expenditure.
2. In the absence of Net Profits in any financial year, the Company endeavours to spend such feasible amount as it may decide.
3. The CSR Committee shall prepare its annual planned expenditure, for a financial year, for the CSR activities including the thrust areas and manner of implementation etc.,

#### **CSR Monitoring and Reporting Framework**

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

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**Frequency of Meetings**

The meetings of the Committee would be held at such periodic intervals as may be required.

**Miscellaneous**

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.