

**HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED**

**TERMS OF REFERENCE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

**Constitution:**

- (i) The CSR Committee shall comprise of atleast 3 directors out of which one shall be an independent director.
- (ii) The Chairman of the Committee shall be present at the Annual General Meeting (AGM) to answer shareholders queries. In the absence of the Chairman, any member of the Committee shall be present at the AGM to answer the shareholder queries with regard to CSR activities.

**Meetings:**

- (i) The CSR Committee shall meet at least twice in every financial year or at such frequencies as the Chairman of the CSR Committee deems appropriate.
- (ii) The quorum for meetings of the CSR Committee shall be at least two members or 1/3rd of the members, whichever is higher.
- (iii) The Committee shall meet in person or through video conferencing or other audio visual means, in accordance with the procedure prescribed in the Companies (Meetings of Board and its powers) Rules, 2014 as amended and Secretarial Standard on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India (ICSI).
- (iv) The Members of the Committee shall not be paid any sitting fees for attending meetings of the Committee.
- (v) The minutes of the meetings of the CSR Committee shall be recorded and maintained in accordance with the relevant provisions of the Companies Act, 2013, as amended and Secretarial Standard on Meetings of the Board of Directors issued by the ICSI.

**Invitees:**

- (i) The CSR Committee may invite such officers of the Corporation and representatives of H T Parekh Foundation (“Foundation”) and/or any other NGO or expert consultant, as deemed appropriate to attend and participate at its meetings.
- (ii) The CSR Committee may also meet without any of the said officers/ representatives.

**Role:**

The terms of reference of the CSR Committee will be to –

- (i) Periodic review of the Corporate Social Responsibility Policy (CSR policy) and recommend

any modifications or changes to the same for the approval of the Board.

- (ii) Review and recommend to the Board an annual action plan for each financial year in pursuance of the CSR policy, including any modifications thereof which shall *inter alia* include a list of CSR projects, estimated budget to be allocated on each of the CSR projects during each financial year, manner of execution of CSR projects, implementation schedules for the CSR projects, monitoring and reporting mechanism for the CSR projects and details of need and impact assessment for CSR projects, as may be applicable.
- (iii) Implement and monitor the CSR Policy, including projects undertaken by the Corporation and/or through the Foundation or other partner organisation(s) and its end-use.
- (iv) Review and recommend CSR projects or programmes to the Board, to be considered as ongoing projects, for whose duration has extended beyond one year.
- (v) Review the impact assessment of eligible CSR projects undertaken by the Corporation and/or the Foundation or other partner organization(s).
- (vi) Recommend to the Board to transfer any Unspent CSR amount to a designated Unspent CSR account, in the manner as prescribed under Section 135 of the Companies Act, 2013 and rules made thereunder.
- (vii) Approve the CSR report containing the disclosures as mandated under the CSR Rules, before it is presented to the Board for its approval and inclusion in the Directors' report.
- (viii) To do all such acts, deeds, matters and things to ensure compliance with CSR norms and the CSR Policy, as amended, from time to time.

**Powers:**

- (i) The Committee has the authority to investigate into any matters concerning with or arising out of CSR norms.
- (ii) The Committee is authorised to obtain third party opinion on any matter concerning the CSR norms or the CSR policy of the Corporation, as deemed appropriate and secure their attendance.
- (iii) To call for records, documents or seek explanations from Officer(s) of the Corporation or auditors or lawyers or experts as it may deem appropriate, whether or not as part of any investigation into violation of the policies of the Corporation.

**Reporting:**

- (i) The minutes of the meetings of the CSR Committee shall be tabled at the subsequent meeting of the Board of Directors of the Corporation.
- (ii) Update the Board of Directors of the Corporation, regarding its CSR activities and practices

adopted and provide for improvements/ actions required to be undertaken.

- (iii) In the event the Corporation has not spent the minimum required amount, the CSR Committee shall submit a report specifying the reasons for not being able to spend the amounts so allocated, to the Board.
- (iv) The CSR Committee's activities during the year shall be disclosed in the Annual Report of the Corporation in the format prescribed under the CSR Rules.

**Review & Authority:**

The terms of reference of the CSR Committee shall be reviewed periodically to reassess its adequacy.

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