

Five Star Housing Finance Pvt. Ltd

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble:

Corporate responsibility towards the stakeholders is fast emerging as one of the major considerations for businesses in the country. Organisations are gradually shifting their attention towards a wider view of social concerns while conducting their businesses. Corporate Social Responsibility (CSR) aims at connecting business to the society, wherein the business chooses areas of engagement with the local communities and people at large. The broader objective of CSR is to contribute with a responsibility, towards a better society and a cleaner environment. While this Policy document defines the CSR Vision of FSHF, it also explains the structure and method of implementation. The Policy is in compliance with Section 135 of the Company Act, 2013 and the rules notified there under.

(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;

(v) 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;

(vi) Measure for the benefit of armed force veterans, war widows and their dependents;

(vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;

(viii) Contribution to the prime minister's National Relief 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;

(ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

(x) Rural Development projects.

(xi) Any other activity, as may be notified by the Central Government from time to time.

The company has identified the fields it would like to focus its energy on Education, Health, Livelihood, Infrastructure development, Social development, Environment Sustainability,

and Prime Minister's Relief Fund. To contribute towards Prime Minister's Relief fund which would help in providing assistance to people affected by various natural calamities such as Earthquakes, Floods, Tsunami and Cyclones. The Company will give utmost importance for Education.

Geographical Reach

FSHF shall give preference to the areas where it has its business presence. Due consideration will also be given to locations which are under-developed and need immediate attention for socio-economic upliftment. We believe in partnering and collaborating with government, public and private organizations to support various developmental programmes.

Organisational mechanism

As the Company has no formal procedure and experience related to the above fields for social cause, it would be very pertinent if the Company could explore the possibility of tie-up with Registered Trust/Foundation/NGO/Society for implementation of CSR programmes and work out modalities of jointly fulfilling CSR. The modalities would also include monitoring mechanism to ensure that the allocation is spent for the intended purpose only. The operating provisions of the rules under CSR policy mandates a company could also conduct / implement its CSR programmes through Trusts, Societies or Section 8 companies which are not-for-profit organisations that are not set up by the company itself. Such spends may be included as part of its prescribed CSR spend only if such organisations have an established track record of at least three years in carrying out activities in related areas. Further, companies could also collaborate or pool resources with other companies for undertaking projects or programmes or CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending.

GOVERNANCE & ADMINISTRATION

The Board of the Company will appoint CSR Committees in accordance with the CSR legislation under section 135 of the Companies Act 2013. The Committees will have the responsibility, recommend CSR Programmes and allocate budgets, and monitor the implementation and expenditure of funds. They will also prepare Annual Report of the CSR Programmes, stating clearly the results of social audit and the resultant social impact. Gaps in implementation of the planned CSR Programmes will be reported with necessary corrective actions. The Committees are authorised to take professional support from individuals or organisations having expertise in related fields.

Implementing mechanism:

We will implement our projects through specialized organizations in partnership with our CSR team.

Monitoring mechanism:

Primary monitoring through partner organizations and overall monitoring and reviews through the CSR team, CSR & and CSR Committee of the Board.

Corpus

A specific budget would be allocated to each project (education, health care, infrastructure development, social change, and livelihood) of CSR activities after taking into consideration various parameters. The company would spend in every financial year at-least 2% of the average net profit. And should any project have any shortfall of funds, then that project would try source its fund from other projects which has surplus.

Information dissemination

The Company's engagement in this domain would be disseminated on its website, annual reports and through the media if need be.

Management Commitment

Our Board of Directors, our Management and all of our employees would subscribe to the philosophy of concern and care. We believe that we have a mission to walk on the path of generosity and compassion in order to make a difference in the lives of the poor and society at large. This would be the cornerstone of our CSR policy.
