**Draft** **Annexure - A**

**Corporate Social Responsibility Policy**

**1. Introduction:**

Tampcol is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules. Tampcol commits itself to contribute to the society in ways possible for the organization and has set up its committed core CSR team, as a means for fulfilling this commitment. Corporate Social Responsibility (CSR) is the Corporation's commitment to its Board of Directors to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

**2. Objective and Scope:**

**2.1. Objective:**

The main objective of the CSR Policy is to lay down guidelines to make CSR as one of the key focus areas to adhere to global interest in environment duly making a positive contribution to society through effective, impactful and sustainable development programs. This Policy covers the proposed CSR activities to be undertaken by the Corporation and ensuring that they are in line under section 135 with Schedule VII of the Companies Act, 2013 as amended from time to time. As per section 135 (1) of the Companies Act, 2013, the Corporation is earning net profit Rs.5.00 crore or more during the Financial years shall be required to constitute a CSR committee of the Board.

**2.2. Scope & Coverage:**

This policy is applicable to corporate social responsibility initiatives of the Corporation. Further, the Corporation will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

**3. Corporate Social Responsibility (CSR) Committee:**

**3.1. Constitution:**

The Corporate Social Responsibility (CSR) Committee shall be established by the Board of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013, in Tampcol. The following members were decided upon and appointed at the 171st Board meeting, which was held on September 28, 2021:

1. Managing Director, Tamil Nadu medicinal Plant Farms and Herbal Medicine Corporation Ltd. (TAMPCOL)
2. Managing Director, Tamil nadu Medical Services Corporation (TNMSC)
3. Dr. Hakim Syed Imamuddin Ahmed, Director, TAMPCOL

**3.2. Functions and Powers of Committee:**

To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:

a. Formulate CSR Policy and recommend the same to the Board of Directors of the Corporation for approval.

b. Recommend CSR activities as stated under Schedule VII of the Act.

c.. Recommend the CSR Budget

d. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Corporation in accordance with the Act and the CSR Rules

e. Create transparent monitoring mechanism for implementation of CSR initiatives in TAMPCOL.

f. Submit the Reports to the Board in respect of the CSR activities undertaken by the Corporation.

g. Monitor CSR Policy from time to time

h. Monitor activities/charter of Internal Working and Monitoring Group (WG) who are authorized to ensure that the CSR activities of the Corporation are implemented effectively.

i. Authorize executives of the Corporation to attend the CSR Committee Meetings, if necessary

**3.3. Meetings of the Committee:**

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;

a. The CSR Committee shall hold a minimum number of two meetings in a year.

b. The members of the Committee may mutually agree between them regarding time and place for the said meetings.

c. The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

d. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

**4. CSR Spend:**

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act. According to TAMPCOL, the entity is earning a net profit to the tune of Rs.5.00 crore or more during the Financial years and the entity have constituted a CSR committee of the Board.

**4.1. CSR Expenditure:**

Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act. In accordance with TAMPCOL the categories specified under Schedule VII (Section 135) of the Companies Act, 2013 providing activities Section (i) defines that CSR fund may be utilized for activities relating to **promotion of health care including preventive health and sanitation.** Section (v) defines that CSR fund may be utilised for activities relating to setting up of **public libraries**.

**4.2. Failure to spend the CSR Money:**

If the Corporation fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

**5. CSR Initiatives:**

Pursuant to Schedule VII of the Act and the CSR Rules, the Corporation shall undertake CSR activities, as recommended by the CSR Committee. The Corporation initiates as per the above CSR rules under promotion of health care including preventive health and sanitation, activities relating to setting up of public libraries**.**

**5.1. Annual CSR Plan:**

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Corporation based on recommendation of its CSR Committee which outlines inter alia the following aspects of CSR initiatives of the Company: Project Proposals Targeted Beneficiaries and their key needs Alignment with Schedule VII Project Goals and milestones Activities and Timelines including expected closure dates CSR Budget with projections Monitoring mechanism Progress reporting and frequency of reports Risks and mitigation strategies Any other information as may be required by the CSR Committee

**6. Reporting and publication of CSR policy:**

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors’ Report and the same shall be displayed on the Tampcol website.

**Sd.**

Managing Director