

**TAMIL NADU CEMENTS CORPORATION LIMITED**  
**(A Government of Tamil Nadu**  
**Undertaking) CHENNAI – 600035**

**Corporate Social Responsibility(CSR) –**  
**Policy Document**

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**TAMIL NADU CEMENTS CORPORATION LIMITED**  
**( A GOVERNMENT OF TAMIL NADU UNDERTAKING)**  
Registered Office: 5<sup>th</sup> Floor, Aavin Illam, 3A, Pasumpon  
Muthuramalingam Salai, Nandanam, Chennai – 600 035  
Phone : 044 – 2852 5461 / 2852 5471  
Website: [www.tancem.in](http://www.tancem.in)  
CIN: U40200TN1976SGC007081  
GST IN: 33AABCT1819J1ZH

## **Preamble:**

CSR is an institutionalised effort to contribute to social well being. It covers all activities through which an organisation brings about overall enhancement in the quality of living in the society and also contributes to environmental good. CSR does not merely mean undertaking charitable activities or giving donation, but is aimed at aligning the business processes with the overall social goals.

## **Purpose of the Policy:**

The policy outlines the type and scope of activities to be undertaken as part of the TANCEM.

## **Institutional setup**

### **CSR Committee - Formation**

The first step towards formalizing CSR Policy in a corporate structure is the constitution of a CSR Committee as per specifications in the Companies Act, 2013. The CSR Committee comprising the Directors on the TANCEM Board has been formed. The mandate of the CSR Committee is as follows:

To formulate and recommend CSR activities to the Board

To recommend amount of expenditure to be incurred on CSR activities.

To ensure implementation activities taken up under CSR program

To monitor the CSR Policy of the Company from time to time

To institute a transparent monitoring mechanism for implementation of the CSR Projects / Programmes / Activities undertaken by the Company

### **Strategy and policy:**

1. The concept of CSR is governed by Section 135 of the Companies Act, 2013 and the Act encourages companies to spend at least 2% of their average net profit of past three financial years, towards CSR activities.
2. TANCEM recognizes that its business activities have direct and indirect impact on the society. Further, TANCEM strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development.

### **CSR EXPENDITURE:**

- (i) In every financial year, TANCEM shall spend a prescribed percentage as required under the Companies Act 2013.
- (ii) CSR Expenditure shall mean all expenditure incurred in respect of specific projects/programs relating to the approved CSR activities.
- (iii) CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII.
- (iv) CSR Expenditure shall not include Projects or programs or activities undertaken outside India.
- (v) The surplus arising out of the CSR activities or projects shall not form part of the business profit of TANCEM.

### **CSR ACTIVITIES – PROJECTS**

CSR Activities Listed in Schedule VII of the Companies Act, 2013 CSR shall focus on social, economic and environmental impact rather than mere output and outcome. Activities which are adhoc and philanthropic in nature shall be avoided. Various activities that can be undertaken in general under CSR are outlined below:

1. Eradicating hunger and poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;

2. Promotion of education; including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects ;
3. Promoting gender equality and empowering women; setting up homes and hostels for women and orphans, setting up old age homes, day care centres, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining of quality of soil, air and water;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, and Paralympics sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
10. Rural development projects

#### Guidelines for submission of proposal / release of funds

1. The requisitioning body / implementing agency shall submit a request for release of CSR fund.
2. The proposal received from the requisitioning body / implementing agency shall be submitted to the Committee for its recommendation, subject to

availability of funds under CSR activity. Such proposal will be considered for approval by TANCEM Board for sanction of funds under CSR.

3. Upon approval of TANCEM Board, the funds will be released to the requisitioning body/implementing agency. The funds released shall be utilized within two years from the date of release.
4. The projects/activities sanctioned during previous years under CSR or sustainable development shall also be considered for release of fund under CSR, for successful completion.
5. The implementing agency shall submit implementation as well as draw down schedule, for completion of the CSR project / activity.
6. The CSR fund will be released to the implementing agency either in one or two installments, subject to approval of the CSR Committee and TANCEM Board.
7. The unspent amount shall be returned to TANCEM and the same will be transferred to CSR Account, which may also be used for any other CSR project activities subject to approval of the Committee.

### **Guidelines for monitoring Mechanism**

1. The implementing agency shall submit the periodical progress report for every quarter of the financial year for physical as well as financial progress, during the implementation of the project / activity under CSR.
2. Progress Report showing the physical progress of the project wherever possible, should be submitted every quarter.
3. The implementing agency shall submit the bank statement every quarter related to the CSR Project / activity.
4. The implementing agency shall return the unspent amount kept under CSR account, if it is more than three months period and the same may be availed based on the request and requirement.
5. The implementing agency shall submit the Utilization Certificate for amount received and utilized, from the respective Chief Executive Officer/ Head of the project / activity.

6. CSR Committee reserves the right to inspect the progress of the project/activity and verify the utilization of funds as claimed by the implementing agency, through a nominated person.
7. The implementing agency shall inform about the completion of the project / activity through a certificate duly signed by the Chief Executive Officer / Head of the implementing agency.

**Managing Director**  
**TANCEM**