

STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED

Corporate Social Responsibility Policy and Projects

1. About SIPCOT

State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) hereinafter referred to as "SIPCOT" was established in the year 1971 as a wholly owned Government of Tamil Nadu undertaking under Companies Act, 1956. SIPCOT is carrying out the functions of:

1. Developing, marketing and maintain Industrial Complexes/Parks, Growth Centers and Special Economic Zones;
2. Implementing Infrastructure Development Schemes for Industrial areas;
3. Implementation of Structured Package of Assistance to Industries.

2. CSR Objectives

SIPCOT shall undertake CSR activities to create a meaningful and lasting impact on the communities all over the State of Tamilnadu by helping them transcend barriers of socio-economic development.

SIPCOT shall plan & implement the CSR projects/activities as broadly indicated in Annexure – A and they shall be compliant with the provisions of the Act and rules made there under and will be in line with Schedule VII to the Act. The Company may consult/enlist enabling organizations and regulatory bodies including Government local bodies/Departments etc to assist it in carrying out its CSR projects.

3. Constitution of CSR Committee and Formulation of CSR Policy

In accordance with Section 135 of the Act and rules made there under, the Company has duly constituted Corporate Social Responsibility Committee with the following directors:

S. No	Name	CSR Committee
1.	Thiru.S.Nagarajan, IAS Secretary to Government, Finance Dept	Chairman
2.	Dr.K.Senthil Raj, IAS Managing Director SIPCOT	Member
3.	Thiru.P.Padmakumar, Independent Director	Member

4.CSR CoordinatingTeam

CSR Coordinating team shall consist of the following members:

1. General Manager(F)/CFO
2. General Manager(P-I)
3. General Manager(P-II)
4. General Manager(P-III)
5. Superintending Engineer(Civil)
6. Company Secretary

CSR Coordinating team shall meet at such intervals as required and shall be responsible for:

- a. Identifying & screening the CSR project proposals to be submitted for Managing Director's approval before submission to CSR Committee and Board.
- b. Implementing & Monitoring the CSR activities approved by the CSR Committee and Board.
- c. Reporting to the CSR Committee on the progress on CSR projects and status of CSR expenditure as and when deemed required.

General Manager (F)/CFO shall Chair the CSR Co-ordinating meeting. The Co-ordinating team will make such recommendations on the proposals received to the Managing Director for his approval which then will be placed before the CSR Committee and Board for approval.

5. CSR BUDGET

The total budget for the CSR projects will be calculated on the basis of 2% of average 3 years' net profit before tax.

The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy.

Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that: i. (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule. (ii) the Board of the company shall pass a resolution to that effect.

6. CSR IMPLEMENTING AGENCIES

CSR Expenditure may be incurred as direct expenditure or through:

- a) Contribution to Government agencies for specific programs
- b) Contributions to recognized, reputable organizations with certified audited statements

Provided all the aforesaid entities fall within the ambit of the following categories:

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or

- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

In case CSR Programmes are implemented through aforesaid entities, the programmes to be undertaken by those entities will be specified, and it will be ensured that such entities are registered with the Ministry of Corporate Affairs for carrying out CSR activities.

The Chief Financial Officer/General Manager (Finance) shall certify to the Board that the funds disbursed for CSR projects/activities have been utilized for the purposes and in the manner as approved by the Board of Directors of the Company.

7. CSR Monitoring

In case of ongoing projects, as defined under the Act and the Rules there under, the CSR Coordinating team shall monitor the implementation of project with respect to approved timelines, year-wise allocation and Board of Directors shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

In the event of any inconsistency between this policy and the applicable laws, the applicable laws will prevail.

This policy will be reviewed by the Board, on the recommendation of the CSR Committee as and when deemed necessary.

CSR PROJECTS

Item No	Heads of CSR activities as per Schedule VII of the Companies Act.	Scope Of CSR Activities To Be Undertaken By SIPCOT
I	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	<ul style="list-style-type: none"> • Construction / Renovation of Anganvadi building to provide free meals and education for the children. • Construction / Renovation of primary health center, First Aid Centre, supply of medical equipments/ Ambulances towards health care. • Provision of sanitation & drinking water facilities including construction/ Renovation of toilets, drains, culverts OHT, drilling of borewell, supply and erection of pump sets and other allied works for the villages.
II	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	<ul style="list-style-type: none"> • Promoting education by construction / Renovation of school buildings, compound wall, cycle/ two wheeler shed for students within the premises of Govt school/ Govt colleges etc. providing proper sanitation facilities, furniture & fittings, computers, Smart Class Rooms etc. to the schools / Anganwadi. • Construction / Renovation of skill development centres to train the youth to enhance their vocation skills. • Promoting education by provision of Scholarships and other needs support of all forms, to students of Government Schools/Colleges to pursue higher education.
III	Promoting gender equality, empowering women, setting up homes and hostels for	Construction / Renovation of hostels/dormitories to accommodate women Industrial workers and Industrial workers

Item No	Heads of CSR activities as per Schedule VII of the Companies Act.	Scope Of CSR Activities To Be Undertaken By SIPCOT
	women and orphans; setting up of 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.	belong to 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.	<ul style="list-style-type: none"> • Plantation of avenue trees on both sides of the road to improve the overall environment and maintain ecological balance. • Fodder development (Animal Welfare) • Rain water harvesting, improvement of water bodies (Kulam, Kuttai, Pond etc) and water recharging to improve the ground water level.
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.	Providing public libraries for the villages & Promotion and Development of Traditional Art and Culture
VI	Measures for the benefit of armed forces veterans, war widows and their dependents.	No activity is proposed under this head at present.
VII	Training to promote rural sports, Nationally recognized sports, Paralympics sports and Olympic sports.	Providing infrastructure and sporting amenities including training to promote rural sports, Nationally recognized sports, Paralympics sports and Olympic sports.

Item No	Heads of CSR activities as per Schedule VII of the Companies Act.	Scope Of CSR Activities To Be Undertaken By SIPCOT
VIII	Contribution to the Prime Minister's National relief fund or any other fund setup by the Central Government for SocioEconomic Development and relief and welfare of the scheduled castes, the schedule tribes, other backward classes, minorities and women.	Contribution to the Prime Ministers National relief fund or any other fund set up by the Central Government/State Government for Socio-Economic Development.
IX	Contributions or funds provided to technology incubators located within academic Institutions which are approved by the Central Government.	No activity is proposed under this head at present.
X	Rural development projects.	Construction of community hall, burial ground, cremation shed, laying of roads etc for rural development. The above will be done only in case where the local community/officials are not able to be done trivial funds from their own resources/schemes/ budgets.
XI	Slum area development.	Slum area development
XII	Disaster management, including relief, rehabilitation and reconstruction activities.	Contribution to Tamilnadu State Disaster Management Authority.