



CORPORATE SOCIAL RESPONSIBILITY POLICY OF TASMAC LIMITED

I. CONSTITUTION:

- 1.1. The Board of Directors of TASMAL Ltd ("the company) in its **173rd Board Meeting** held on **26.03.2015**, resolved to constitute "**Corporate Social Responsibility Committee**" ("the Committee") with following members.
1. Chairman, TASMAL
Hon'ble Minister (Electricity,
Prohibition and Excise) - Chairman
 2. The Principal Secretary to Government,
Home, Prohibition and Excise Department, - Member
 3. The Commissioner of Prohibition and
Excise - Member
 4. Managing Director, TASMAL - Member
- 1.2. The Committee will act in accordance with the terms specified in Section 135 of the Companies Act, 2013 read with the **Companies (Corporate Social Responsibility) Rules, 2014**.
- 1.3. The Committee shall come into force with immediate effect.

II. DEFINITIONS:

- a) "**Act**" means the Companies Act, 2013 including any statutory modification or re-enactment thereof;
- b) "**Board**" means Board of Directors of the Company.
- c) "**Corporate Social Responsibility**" (**CSR**) generally means and includes :
- Projects or programs relating to activities specified in Schedule VII of the Act;
or
 - Projects or programs relating to activities undertaken by the Board in pursuance of recommendations made by the CSR Committee as per CSR Policy of the Company subject to the condition that such policy includes the subjects covered under Schedule VII of the Act.

- d) **“CSR Committee”** means Corporate Social Responsibility Committee of the Board.
- e) **“CSR Policy”** refers to activities to be undertaken by the Company as determined by the CSR Committee and approved by the Board of Directors from such projects or programmes relating to activities specified in Schedule VII or covered as Corporate Social Responsibility as per this policy and the expenditure thereon, excluding activities undertaken in pursuance to normal course of business of the Company.

III. MEMBERSHIP:

- 3.1. The Committee members shall be appointed by the Board. The Committee shall be constituted with a **minimum of 4 members**. (TASMAC being Private Limited Company, appointment of Independent Director is not applicable to TASMAC as per Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- 3.2. The Chairman of the Committee shall be appointed by the Board. In the absence of Chairman of the Committee, the members present at any meeting of the Committee shall elect one of their members to chair the meeting.
- 3.3. Only members of the Committee have the right to attend Committee meetings. However, all Directors may be invited to attend all or part of any meeting as and when desired. In addition, other individuals such as Company employees or external advisors may be invited to attend all or part of any meeting as and when appropriate.
- 3.4. The requisite **quorum** shall be any **two members** present at the Meeting.
- 3.5. The Company’s Secretary shall act as the Secretary to the Committee.

IV. FREQUENCY OF MEETING:

The Committee shall meet **at least once in a year** to decide and recommend the Board the CSR activities.

V. NOTICE OF THE MEETING:

- 5.1. Meeting of the Committee shall be called by the Secretary of the Committee at the request of any of its members.
- 5.2. Additional Meeting may be held at the discretion of the Board or any member(s) of the Committee.

VI. ACITIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION:

6.1 The Committee will undertake one or more of the following activities, which is included in **Schedule VII of the Companies Act,2013** as its projects for CSR activity viz.,

- a)Eradicating hunger, poverty and malnutrition, **preventive health care** and sanitation and making available safe drinking water;
- b)Promoting education including special education and employment enhancing vocational skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) Rural development projects.
- d) Slum area development

6.2.The Committee will carry out its CSR activities through its own personnel/Government agencies /**Government Departments**.

VII. EXPENDITURE TO BE INCURRED:

The Committee shall determine to spend an amount equivalent **to 2% of average net profit** made during the three immediate preceding financial years in accordance with the provisions of Section 198 of the Act. The Committee shall prepare a budget of expenditure to be spent towards the CSR activities in each financial year.

The Committee shall request the Board of Directors to cause the corporate office **Internal Auditors to audit** the Company's expenditure on CSR activities for the purpose of true and fair reporting of its accounts as part of its balance sheet, at the annual general meeting.

VIII. MONITORING:

The Committee shall through its members monitor the expenditure incurred vis-à-vis the budgets and moneys provided to its personnel/Government agencies / Government departments in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Section 135 of the Companies Act, 2013.

The Committee may also nominate one or two directors to physically examine the CSR activities and report of activities undertaken and performed.

IX. REPORTING:

The **Board's Report** shall include an **annual report on CSR activities** containing particulars as specified.

X. PUBLICATION OF THE POLICY:

The CSR Policy recommended by the Committee and approved by the Board shall be displayed in the **Company's website** for public viewing.

XI. AMENDMENT:

The Company or the Board reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. However, such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.
