

**STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED (SIPCOT)**

**CSR POLICY GUIDELINES**

**CSR Policy**

SIPCOT is committed to being a socially responsible corporate citizen.

SIPCOT's CSR policy aims to promote Economic, Social, Environmental and Cultural growth of the community at large in an equitable and sustainable manner.

The company's CSR policy will be focused primarily on Education, Health Care, Socio-Economic development, Environmental Sustainability and Rural development.

All CSR activities will sub-serve National priorities and Social goals.

**Scope: Areas of operation**

**Core Area**

SIPCOT's CSR activities will be concentrated primarily around existing SIPCOT Industrial Complexes spread across the state.

Areas around the new project site will be identified and added later on as soon as the project is completed.

**Additional Areas**

In addition, need based activities will be carried out in areas outside the core area if they are warranted and are within the overall CSR policy of the company.

## **Scope: Sector**

The CSR activities shall be focused on the following segments:

### **1. Education**

- Construction of school building
- Construction of Anganvadi to provide free meals
- Sports development
- Provision of furniture, fittings, computers etc.
- Providing public libraries

### **2. Health Care**

- Construction of primary health centre
- Supply of medical equipments/ambulances
- Sanitation facilities

### **3. Socio-Economic Development**

- Drinking water facilities
- Employment generation
- Construction of Skill Development Centre
- Construction of hostels/dormitories for men & women to accommodate industrial workers

### **4. Environmental Sustainability**

- 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.

### **5. Rural Development**

- Construction of houses to the eligible people.
- Construction of community hall, burial ground, cremation shed
- Laying of roads

The above works will be done only in case where local community/officials are not able to done trivial funds from their own resources/schemes/ Budgets.

### **Planning of CSR activities**

1. The CSR plan will be prepared covering activities in all segments as part of the Company's Annual Operating Plan.
2. Major activities identified in the plan will be in consultation with CSR committee.
3. After the identification of the projects, needs will be prioritized and the budgeted amount will be allocated under CSR activities.

### **Budgeting**

- The aim is to spend each year, atleast 2% of Profit After Tax of the previous year but not lower than 2% of the average of the PAT of the previous 3 years.
- The CSR expenditure as above may be incurred through one or more of the following ways:
  1. Contribution to Funds/Activities which are notified as claimable expenditure under Income-Tax Act
  2. Incurred through concerned DRDAs as depository works
  3. Direct expenditure wherever necessary.

### **CSR EXPENDITURE INCURRED FOR THE YEAR 2014-15**

SIPCOT has totally deposited Rs.396.66 lakhs to the Chairman/DRDA, Kancheepuram, Thiruvallur and Cuddalore districts to carry out CSR activities for SIPCOT as depository work.

### **Implementation**

- All efforts will be made to complete the CSR initiatives within the stipulated time and approved budget.
- Assistance in the form of funding support will be restricted to Government Bodies.
- Cash transactions will be avoided in principle.

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for **MANAGING DIRECTOR**