

TAMIL NADU URBAN INFRASTRUCTURE FINANCIAL SERVICES LIMITED

Corporate Social Responsibility Policy of Tamil Nadu Urban Infrastructure Financial Services Limited

1. Objectives

This policy is called the “Tamil Nadu Urban Infrastructure Financial Services Limited’s Corporate Social Responsibility Policy” (TNUIFSL’s CSR Policy).

TNUIFSL is committed to do business by adding value to the community and society on a sustainable basis through responsible practices and good governance.

The objective CSR policy of the company is to encourage protection of environment for sustainable living and promote inclusive growth.

2. Responsibilities of the Board

The Board of TNUIFSL will be responsible for:

- approving the CSR policy as formulated by the CSR Committee,
- ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation during the three immediate preceding financial years,
- ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively, and regularly monitoring implementation,
- disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.
- ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.

3. CSR Committee

The CSR Committee of the Board comprising of not less than three members constituted by the Board to do the following functions:

- Formulate and recommend to the Board, a CSR Policy which shall indicate a list of CSR projects or programs which a company plans to undertake falling under the purview of the Schedule VII of the Companies Act, 2013 Act, specifying modalities of execution of such project or programs and implementation schedules for the same,
- Recommend the amount of expenditure to be incurred on the activities referred to in CSR policy,
- Monitor the CSR Policy of the company from time to time and
- Other activities as per the provisions of the Companies Act, 2013.

4. CSR Budget and Expenditure

The budget for implementation of CSR projects, programs and activities for every financial year will be at least 2% of the average net profits of the company made during the three immediately preceding financial years.

CSR expenditure shall include all expenditure for implementing CSR projects, programs and activities approved by the Board on the recommendations of the CSR Committee.

The unspent amount will be carried forward and utilized for implementing CSR projects, programs and activities.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company.

5. CSR activities

The Company will implement its CSR activities in accordance with Section 135 of the Companies Act, 2013 and the Rules notified thereon.

The Company's CSR activities will focus on the sectors and issues relating to the following:

- i. Promotion of education, special education, employment enhancing vocation skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects
- ii. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air, water and
- iii. Activities relating to promotion of healthcare including preventive healthcare, sanitation & disaster management and Contributions to State Disaster Management Authority.

(policy amended based on approval by the Board in its 102nd Meeting held on 05.08.2020)

In addition, the Company will respond to the requirements within the purview of the Schedule VII of the Companies Act, 2013.

6. Modalities for implementation of projects and programs

The CSR activities shall be undertaken either directly by the Company or through registered trusts in accordance with Section 135 of the Companies Act, 2013 and the Rules notified thereon.

The Board of Directors of TNUIFSL may decide to undertake CSR activities through a registered trust. In such case, the Company shall specify the projects or programs to be under taken and the modalities for utilization of the funds on such project and programs and monitoring and reporting mechanism.

7. Monitoring process

The administration of the CSR Policy and the implementation of identified CSR projects, programs and activities shall be carried out under the overall superintendence and guidance of an internal monitoring group formed for this purpose from time to time.

The CSR expenditure will be closely monitored and funds shall be released against verified utilizations as per the approved work plans. The CSR expenditure will be accounted separately and audited.

CSR Committee will monitor the implementation of the CSR Policy through periodic reviews (on half-yearly basis) of the activities carried out under CSR Policy.

8. CSR Reporting

The CSR Committee shall prepare the annual CSR report containing particulars as specified in the Companies (Corporate Social Responsibility Policy) Rule, 2014 and recommend to the Board for approval.

9. Powers to revise / amend the CSR Policy

The effectiveness of the CSR policy will be monitored and reviewed by the Board to ensure the Company's continuing compliance with any relevant legislation and to identify areas in need of improvement.

The provisions of this CSR Policy would be subject to revision / amendment by the Board of Directors of the Company based on the recommendations of CSR committee.