



TAMIL NADU POLICE HOUSING CORPORATION LTD.,

(A Government of Tamil Nadu Undertaking)

(ISO 9001:2008 Certified Company)

132, E.V.R. Salai, Kilpauk, Chennai – 600 010.

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CORPORATE SOCIAL RESPONSIBILITY POLICY

1.0 **PRELUDE**

1.1 TNPHC Ltd., since its establishment in 1981, has focused its activities to build houses for Police Personnel as a Welfare Measure under the “Own Your House” Scheme. Accordingly, a number of houses and flats were constructed and allotted to the serving as well as retired Police Personnel.

1.2 From 1992, the Government have also entrusted the Construction of rental quarters for Police Personnel to this Corporation.

1.3 In order to comply with the provision of Sec.135 of Companies Act, 2013, CSR Committee has been formed in TNPHC Ltd., since the average net profit per annum exceeds Rs.5.00 cr. The CSR Committee comprising of the following Director :

1. *Chairman & Managing Director, T.N. Police Housing Corporation Ltd.*
2. *Joint Secretary to Government, Finance Department*
3. *Commissioner, Town & Country Planning Department*

2.0 **OBJECTIVE**

The main objective of the CSR Policy shall be the Corporation’s continuous commitment to operate in economically, socially and environmentally sustainable manner to promote socio-economic growth, empowerment of communities, capacity building, environment protection, promotion of green & energy efficient technologies.

3.0 **CSR THRUST AREAS**

3.1 In accordance with the objective, the CSR activities of TNPHC will have the following thrust areas as identified in the **Schedule VII** of the Companies Act, 2013:

- (i) *Eradication hunger, poverty and malnutrition promoting health care including preventive health care and sanitation and making available safe drinking water;*

- (ii) *Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;*
- (iii) *Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizen and measures for reducing inequalities faced by socially and economically backward groups;*
- (iv) *Ensuring environmental sustainability, ecological balance, protecting of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;*
- (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;*
- (vi) *Measures for the benefit of armed forces veterans, war widows, Police Personnel and their dependants;*
- (vii) *Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;*
- (viii) *Contribution to the Prime Minister's National relief fund or any other fund set up by the Central Government for socio economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;*
- (ix) *Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;*
- (x) *Rural development projects.*

3.2 However, the above thrust areas are to be interpreted liberally so as to capture the essence of these.

3.3 Further, according to the contemporary developments and legal changes, the CSR Committee may expand the CSR Policy, for implementation, subject to the approval of the Board.

4.0 **ELIGIBLE AGENCIES**

4.1 The CSR activities shall be undertaken by the Company, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), ***excluding activities undertaken in pursuance of its normal course of business.*** CSR activities shall be implemented by the Company on its own or through the entities such as Govt. agencies, Govt. Departments, Local Bodies, Govt. Societies, Govt. Trusts, Companies incorporated or through other State/CPSEs under Section 8 of

the Companies Act,2013, etc. and/or through the eligible entities, as contained in the Rule 4 of the CSR (Corporate Social Responsibility) Rules, 2014 of Companies Act, 2013, (vide Notification dated 27th February 2014 issued by Ministry of Corporate Affairs, Govt. of India), which indicates that “The Board of a Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered society or a Company established under Companies Act or subsidiary or associate Company under Section 8 of the Act or otherwise :

4.2 The Company may also collaborate with other companies for undertaking CSR projects or programmes or activities in such a manner that CSR Committee of respective Companies are in a position to report separately on such projects or programme in accordance with these rules.....”

5.0 **SOURCE OF FUNDS**

5.1 The CSR activities shall be undertaken out of a part of net profit, as may be approved by the Board every year, in line with the provisions of Companies Act, 2013 which inter-alia states that “*The Board of every Company..... shall ensure that the Company spends, in every financial year, atleast **two per cent of the average net profits of the Company made during the three immediately preceding financial years**, in pursuance of its Corporate Social Responsibility Policy.*”

5.2 CSR Expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities **approved by the board on the recommendation of the CSR Committee**, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act as mentioned in para 3.1 (*supra*).

6.0 **IMPLEMENTATION**

The Board of TNPHC in its 154th Meeting held on 28.08.2014 had constituted the CSR Committee for the CSR Activities with CMD, TNPHC as Chairman and two other Directors. The quorum of the aforesaid Committee shall be two and the Company Secretary shall be the Secretary of the above Committee.

7.0 **MONITORING AND ASSESSMENT**

The CSR Committee and Board would be apprised of the status of implementation of CSR & Sustainability activities every six months.

8.0 **REFLECTION OF THE CSR ACTIVITIES**

The annual report on the CSR containing particulars specified in the annexure on the rules on CSR under Companies act would be reflected in the Board Report of TNPHC. The contents of the CSR Policy shall be also displayed on the TNPHC website. All the major CSR & Sustainability activities would be documented and also be hosted on TNPHC's website.

9.0 **MISCELLANEOUS**

9.1 *However, the CSR projects or programs or activities that benefit only the employee of the Company and their families shall not be considered as CSR activities in accordance with section 135 of the Act. Further, one off events such as marathons/awards/charitable contribution/advertisements/sponsorship of TV programs, etc., would not be qualified as part of CSR expenditure.*

9.2 Contribution of any amount directly or indirectly to any political party under section 182 of the Companies Act, 2013 shall not be considered as CSR activity.