

# CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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Sd/-  
Managing Director & CEO  
Date: 31.01.2018

## Revision list

Revision no	Revision date	Revision Description

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## 1. INTRODUCTION :

- 1.1. TAL Manufacturing Solutions Ltd (referred to as 'TAL' / 'Company') is a wholly owned subsidiary of Tata Motors Ltd and engaged in the business of design, development and manufacture of engineering solutions, machines, machine tools, special equipments, material handling systems, fluid power solutions, solutions for the defense sector, robotic solutions, aerospace related assemblies and components.
- 1.2. As an integral part of our commitment to Good Corporate Citizenship, we at TAL believe in actively assisting in the improvement of the quality of life of the people in the communities, giving preference to local areas around our business operations. We shall continue to relentlessly strive in our endeavour of nation-building, sustainable development, accelerated inclusive growth and social equity since long, even though TAL is covered under Section 135 of the Companies Act, 2013 effective from Financial Year 2017-18.
- 1.3. Being a Tata Enterprise, TAL has been engaged in CSR activities since inception as a commitment of Tata Group towards society and community at large. TAL is committed for a vision that placed greater good of society at par with business growth, a vision that put into practice pioneering social initiatives that changed the way responsible business runs and vision that brought into the Group a strong social conscience.
- 1.4. TAL is committed for the responsibility and sensitivity to the country, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many time over.

## 2. PURPOSE:

The purpose of this document is to outline the policies for Corporate Social Responsibility (CSR) of TAL and promote CSR across the Company & ensure commitments at all levels in the organisation, by encouraging employees to participate in the Company's CSR activity and give back to society in an organised manner through various CSR initiatives.

**Our initiatives to revolve around projects involving sections of Society, which has got limited access to state / Nation run programs. The objective is to reach to deserving and under privileged society would be our primary moto in this initiative.**

## 3. SCOPE:

This policy shall be applicable to TAL and governs the CSR activities of the Company which shall strategically integrate the shouldering of our Social Responsibility with our pursuit of Business Excellence. In order to leverage the demographic dividend of our Country and being Tata Enterprise, TAL's efforts shall focus on Health, Education, Employability and Environment interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting rural India.

The following parameters shall be observed while considering CSR activities of TAL:

- ❖ Employability, Education, Health and Environment as determined by the CSR Committee / Board from time to time.

In terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Policy relates to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, as projects or programs or activities (either new or ongoing) and the expenditure thereon, excluding activities undertaken in pursuance of its normal course of business.

The CSR initiatives that benefit only to the employees of the Company and their families and contribution to political party shall not be considered as CSR activities.

#### **4. EXECUTION:**

CSR programs / initiatives shall be implemented by the Company on its own or through any agency or as may be permitted under the law.

TAL may work with NGOs, Trusts, Government Bodies, Educational Institutions, other Corporates & Industry associations and other suitable implementing organisations as implementing partners for its CSR programs.

TAL may also endeavour to deploy TATA Group CSR Programs (GCP's) and drive affirmative action (AA) agenda and other international development goals like Sustainable Development Goals (SDGs), in line with Schedule VII of the Companies Act, 2013 as recommended by the CSR Committee of the Board and approved by the Board from time to time.

#### **5. GOVERNANCE:**

CSR initiatives shall be implemented through CSR Committee constituted by the Board under Companies Act, 2013.

CSR Committee shall –

- a) Recommend the changes / amendments, as may be required, in CSR Policy from time to time;
- b) Recommend the amount of expenditure to be incurred on the CSR activities in terms of CSR Policy;
- c) Monitoring the spends on CSR activities by the Company in each financial year;
- d) Monitor CSR programs and projects
- e) Identify CSR team for implementation of CSR programs or projects.
- f) Such other activities as may be assigned by the Board from time to time or required under Companies Act, 2013 & Rules made thereunder.

## **6. IMPLEMENTATION:**

The operational procedures shall be aligned to the requirements of Section 135 of the Companies Act, 2013.

*The CSR Programs and Projects along with modality and schedule are attached herewith as **Annexure A**.* Any surplus arising out of CSR projects or programs or activities shall not form part of business profit of the Company.

Any proposal for new CSR activities, as and when received, shall be evaluated in terms of appropriateness and alignment with CSR Policy of the Company. On clearing the evaluation process, the same shall be put up to the CSR Committee for approval.

CSR Committee is empowered to ratify / approve any expenditure made by the Company management under CSR category provided the same shall be in line with CSR Policy of the Company.

Any budget for the approved projects and the project in pipeline for CSR shall be placed before CSR Committee for approval. CSR Committee may review the CSR expenditure from time to time.

The corpus to be spent by the Company on CSR shall include at least 2% of average profits for preceding three financial years. In case of Company fails to spend such amount, the Board shall in its report specify the reasons for not spending the amount.

## **7. REPORTING:**

An annual CSR report shall be included in Board's Report of the Company for every financial year and placed before the Board by CSR Committee for approval.

## ANNEXURE A

The CSR Programs and Projects along-with modality and schedule is given below:

Cat	CSR Programs	Sr. No.	CSR Projects	Reference Sr. No. of Schedule VII	Implementation Modality	Implementation Schedule*			
						Q 1	Q 2	Q 3	Q 4
A	<b>EMPLOYABILITY Kaushalya* (3)</b>	1	Training	Ii	DIR / Agency	•	•	•	•
B	<b>EDUCATION Vidyadhanam* (5)</b>	2	Scholarships / Financial Aid to Students	Ii	DIR / Agency	•	•	•	•
		3	Special coaching classes	Ii	DIR / Agency	•	•	•	•
		4	School Infrastructure improvement	Ii	DIR / Agency	•	•	•	•
C	<b>HEALTH Aarogya (4)</b>	5	Preventive and curative health services	I	DIR / Agency	•	•	•	•
		6	Health awareness program for women	I	DIR / Agency	•	•	•	•
D	<b>ENVIRONMENT Vasundhara (3)</b>	7	Tree Plantation	Iv	DIR / Agency	•	•	•	•
		8	Creating Environmental Awareness	Iv	DIR / Agency	•	•	•	•
E	<b>OTHERS</b>	9	Need Based and any other activities aligning to Schedule VII	viii	DIR / Agency	•	•	•	•

Abbr.	Description
DIR	Direct: TAL Manufacturing Solutions Limited

\* The CSR Committee may vary the implementation schedule and modalities as it may think fit and proper from time to time.