

Corporate Social Responsibility Policy

Tirupati Medicare Limited

TABLE OF CONTENTS

1	INTRODUCTION
2	CSR IN INDIA
3	OBJECTIVES
4	SCOPE
5	IMPLEMENTATION
6	CSR COMMITTEE
7	POWER OF COMMITTEE
8	CSR BUDGET/CSR SPEND
9	EXCLUSION FROM CSR
10	MONITORING & REPORTING
11	DISCLOSURES



1. INTRODUCTION

Tirupati Medicare Limited is a knowledge-based healthcare company with a qualified and highly experienced team of professionals. We are engaged in the manufacturing of pharmaceutical formulations & have positioned ourselves to drive healthcare towards excellence.

Our facility is a state-of-the-art formulation manufacturing unit, approved by WHO-GMP and compliant with International regulatory standards.

Our team of competent, experienced and dedicated professionals works continuously towards the multidimensional growth of the company. Our focus is on improving community health by offering safe, efficacious and quality products.

Tirupati Medicare Limited (TML) is a part of the INR 15 billion Tirupati Group of Industries. The Group commenced Operations in 1980 with a clear aim of establishing its presence across various market segments. TML marked the group's entry into pharmaceutical manufacturing.

2. CSR IN INDIA

CSR in India has traditionally been seen as a philanthropic activity. While the corporate houses have been traditionally engaged in doing CSR activities voluntarily, the new CSR provisions put formal and greater responsibility on companies to set out a clear framework and process to ensure strict compliance.

The new Companies Act 2013 (hereinafter referred to as 'the Act'), has introduced the idea of CSR to the forefront and through its "Comply-or-Explain" mandate. It mandates qualifying companies to constitute the Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further, the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") lay down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Act.

At Tirupati Medicare Limited, the Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business. The Company's CSR initiatives have played a pivotal role in improving the lives of the local communities with an objective to energize, involve and enable them to realize their potential. This has also enabled us to fulfil our commitment to be a socially responsible corporate citizen.

3. OBJECTIVES

The main objectives of the Company's CSR policy are:

- To directly/indirectly undertake projects/programs which will enhance the quality of life, and economic well-being of communities in & around our plant and society.
- To generate goodwill and recognition among all stakeholders of the company.
- To lay down guidelines to make CSR a key business process for sustainable development of the society.

4. SCOPE

This Policy covers current as well as proposed CSR activities to be undertaken by the Company and examining their alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes a strategy that defines plans for future CSR activities.

The Company proposes to implement its CSR activities in various sectors stated hereunder:

- Eradicating hunger, poverty and malnutrition
- Healthcare
- Sanitation
- Drinking water
- Education
- Rural development
- Vocational skills
- Entrepreneurship skills
- Employment opportunities
- Facilities for senior citizens
- Medical aid
- Old age homes
- Women hostels
- Special employment opportunities for women
- Environment protection
- Animal welfare
- Conservation of natural resources
- Protection of national heritage
- Promoting and development of art and culture

- Public libraries
- Promotion and development of traditional arts and handicrafts
- Measures for armed forces veterans, war widows and their dependents
- Promotion and development of rural sports and national games
- Contribution to funds set by the Central or State Government for development and welfare of Scheduled Castes, Scheduled Tribes and minorities
- Rural development projects
- Contribution to technology incubators located within academic institutions
- Go green initiatives
- Human rights

Any other area as may be prescribed by Schedule VII amended from time to time.

The Company will review the sectors from time to time and make additions/deletions/clarifications to the above sectors.

5. CSR IMPLEMENTATION

Projects/programs covered under CSR activities shall be implemented

- (A) Directly by the company for fulfilling its responsibilities towards various stakeholders.
- (B) Collaboration with other companies undertaking projects/programs in CSR activities.
- (C) Contribution/donation made to such other organization/institutions as may be permitted under the Act from time to time.
- (D) Any other institutes, NGOs, Government, Semi-Government, autonomous bodies, trusts etc. However, any such projects/program to be undertaken through these entities shall have an established track record of 3 years of undertaking such projects/programs.

The time period/duration of each project/programs shall depend on its nature and intended impact of such activity.

6. CSR COMMITTEE

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least two or more Directors.

7. POWERS OF THE COMMITTEE

Following are the Powers of the CSR Committee:

- Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval.
- Recommend CSR activities as stated under Schedule VII of the Act.
- Approve to undertake CSR activities in collaboration with Other Group companies/other Companies/firms/NGOs etc. and to separately report the same in accordance with the CSR Rules.
- Recommend the CSR Budget.
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules.
- Create transparent monitoring mechanism for implementation of CSR Initiatives in India.
- Submit the Reports to the Board in respect of the CSR activities undertaken by the Company.
- Monitor CSR Policy from time to time.
- Authorize executives of the company to attend the CSR Committee meetings.

8. CSR BUDGET/CSR SPEND

The Act mandates companies meeting the qualification criteria to allocate a certain portion of its annual net profits (before tax) during the three immediately preceding financial years to be spent on CSR Activities that fall under the purview of Schedule VII of the Act.

CSR Expenditure:

Net profit means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

Failure to spend the CSR Money:

In case the Company fails to spend the above-targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year. Surplus arising out of the CSR initiatives shall not form part of the business profits of the Company.

9. EXCLUSION FROM CSR

The following activity shall not form part of the CSR activities of the Company:

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to a political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

10. MONITORING & REPORTING

The CSR Committee will be responsible for the monitoring of CSR activities and report to the Board from time to time.

Additionally, the Committee may empower the Secretary of the committee to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the Committee at its next meeting and shall report to the Board accordingly.

Continuous Monitoring

- The Committee Members will receive in a prescribed format, a quarterly report of CSR spend.
- A presentation on the progress of the CSR projects/activities will be made to the Committee by the CSR Executives at the Committee meetings held from time to time.
- An annual presentation will be made to the Committee which will also include the details of the projects/activities planned for the next year and its respective budgets.

The Board of Directors shall review the implementation of CSR every six months.

11. DISCLOSURES

The Annual Report of the Company includes a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.