

**THOMAS COOK (INDIA) LIMITED  
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**Version 3.0**

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**THOMAS COOK (INDIA) LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY / CHARTER**

**Company Background & CSR vision:**

Thomas Cook (India) Limited is a respected name in the Travel industry. It has set high ethical standards in all its dealings and believes in inspiring trust and confidence. We believe that the Company exists not only for doing good business, but equally to do good for society.

As a result of this holistic vision, aimed at achieving long-term stakeholder value creation, we seamlessly integrate our CSR efforts with our pursuit of business excellence in a mutually beneficial manner.

Thomas Cook (India) Limited shall always continue to respect the interests of and be responsive towards the communities we serve and operate in - especially those from socially and economically backward groups, the underprivileged and marginalized; thereby, society at large.

***“As an integral part of our commitment to Good Corporate Citizenship, we at Thomas Cook (India) Limited will actively work to improve the quality of life of the people in the communities we serve. We shall relentlessly strive to partner with the Government, respected socially conscious agencies and NGOs in the noble efforts of nation-building via sustainable economic & social development, inclusive growth and social equity”***

**CSR Charter & Focus:**

In our CSR journey, we shall selectively deploy our financial resources earmarked for CSR to drive an action agenda in line with Schedule VII of the Companies Act, 2013 as recommended by the CSR Committee of the Company and overseen by the Management & nominated representatives from the Board of Directors.

The Company's annual CSR budget and efforts shall focus on:

**1. Health and Sanitation (Ongoing Projects):**

Improving access to healthcare by focussing on developing a high impact, holistic, sustainable and collaborative ecosystem that offers free/ affordable, quality healthcare services to underprivileged population in parts of India where there is limited healthcare infrastructure/ access including undertaking Project Dialysis through Fairfax India Charitable Foundation by collaborating with government on a public private partnership supporting Pradhan Mantri National Dialysis Program or supporting private charitable organization thereby developing access to dialysis at parts of India where there is poor dialysis infrastructure.

Address lack of hygiene and sanitation facilities at tourist spots pan India or on highways enroute to these tourist spots. This will be done by setting up/managing environment friendly toilet facilities and the underprivileged local population will be trained in the upkeep of these facilities.

**2. Any Other Project or Programme that falls under the purview of Schedule VII of Section 135 of the Companies Act, 2013, as identified and approved from time to time.**

## **Guiding Principles for selection of CSR Projects/Programmes**

Project Dialysis & Clean Sanitation Project are undertaken as an ongoing project for a long term social impact

### **1. Project Dialysis**

Chronic kidney disease (CKD) is on the rise worldwide and in India. Diabetes & hypertension are one of the key factors for CKD. Patients with CKD after a certain stage of kidney damage are not able to remove excess water and toxins from the body through their kidneys and urine & for them to survive and live a productive life; they need to undergo dialysis 2-3 times a week for life long.

It is estimated that there are 1.3 million CKD patients in India who are in need of dialysis. Approximately 200,000 dialysis machines are needed to treat them but only 25,000 dialysis machines are currently available and most of them are at urban India. The cost of dialysis is INR 2,40,000 per year in private setup. The cost further escalates significantly at places where there is no dialysis access, as the patients have to travel long distances to urban areas where the dialysis facilities are available, a family member has to accompany the patients leading to loss of earning hours & many a times the patient family has to relocate to the urban areas to access dialysis. Many a times the dialysis slots are not available due to long waitlist leading to dialysis discontinuation.

Providing access to free / subsidized quality dialysis to areas where there are no or inadequate dialysis facilities helps save life and healthcare expenses of the underprivileged population.

Given their recognition of the critical need for affordable dialysis and the acute shortage of machines, (TCIL, SOTC & TCI individually in their charters) are committed to support Project Dialysis as a long term project for a period of 10 years from 2017-18 till 2026-27.

The commitment is to collaborate with the larger Government/Corporate sector/NGO/CSR/Healthcare Service Provider & partner ecosystem to collectively mobilise the resources to make a significant and meaningful contribution in the form of more than 1000 dialysis machines that will offer affordable/free dialysis in areas of the country where they are most required - to make this life saving service available to the poorest and most deserving.

### **2. Clean Sanitation Project**

In line with the National Swachh Bharat Abhyan, the company will provide access to eco-friendly clean public toilet access at tourist locations.

## **CSR Budget & Management:**

The corpus to be spent by Thomas Cook (India) Limited on CSR shall include at least 2% of the average net profits of its India operations for immediately preceding three financial years. For the projects/programmes identified and approved by the Board, the CSR Committee will propose the annual budgeted expenditure to the Board for its consideration and approval.

The Board shall ensure that the administrative overheads shall not exceed 5% percent of total CSR expenditure of the Company for the financial year. Administrative Expenses means expenses incurred

by the Company for 'general management and administration' of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or program.

In the event the Company is unable to spend as budgeted and approved, it will report the reasons for the same in its annual CSR report and also the Board's Report and shall treat the unspent amount as mentioned below:-

Relating to any ongoing projects-

- Any amount remaining unspent pursuant to any ongoing project, shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the "Unspent Corporate Social Responsibility Account"
- Such amount shall be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Relating to other projects:-

- Transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Until a fund is specified in Schedule VII for the purpose of transfer of unspent amounts, the unspent CSR amount if any, shall be transferred by the Company to any fund included in Schedule VII of the Act

In case the Company spends an amount in excess of the CSR budget, such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years subject to the conditions that –

- the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any,
- the Board of the Company shall pass a resolution to that effect.

Any surplus arising out of the CSR projects or programmes or activities shall not form part of business profits of the Company and will be ploughed back into the same project or shall be transferred to the Unspent CSR account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

- a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and having CSR Registration Number
- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- a public authority.

Note: Any capital asset created by a company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of 180 days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than 90 days with the approval of the Board based on reasonable justification.

## **CSR Implementation and Monitoring:**

The Company may implement its CSR projects/programmes (new and ongoing) in line with the activities specified in Schedule VII of the Companies Act, 2013 and as per Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, through Company personnel or through external implementing agencies including the Fairfax India Charitable Foundation (and other Trusts, Foundations and Section 8 companies that may be established by the Company from time to time). In such cases, the Company will specify the CSR Programmes which may be undertaken by those Trusts in accordance with their objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memoranda and Articles of Association

The Company may also undertake CSR projects/programmes through external implementing agencies as under:-

- a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature, or
- a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The entity engaged for Projects on or after 1<sup>st</sup> April 2021 shall have the unique CSR Registration number from the Central Government.

CSR Policy implementation shall be periodically reviewed and monitored as may be required by a two-tiered Governance Structure comprising of -

i) Tier I – CSR Committee of the Board

Develop CSR Policy of the company, identify social impact projects those are aligned to the principles of the company, approve appropriate budget for the identified projects thereby ensuring project sustainability, review project milestones & its targeted social impact and offer necessary directions for ensuring project success

and

ii) Tier II – CSR Steering Committee

Develop a implementational roadmap for the identified project, create stakeholders mapping & interlinks, conduct timely due diligence for implementing partners or agencies, develop budgets, monitor the projects, conduct impact assessment of the project & provide timely feedback

Pursuant to the review of all projects/programmes, the CSR Committee shall prepare the annual CSR report to be included in the report of the Board of Directors.

The Board of the company shall satisfy itself that the CSR funds have been utilized for the purposes and in the manner as approved by it and that the Chief Financial Officer or the person responsible for financial management has certified to that effect.

## **Annual Action Plan**

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of this CSR policy, which shall include the following, namely:

- The list of CSR Projects or Programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such Projects or Programmes as specified in Sub-Rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- The modalities of utilisation of funds and implementation schedules for the Projects or Programmes;
- Monitoring and reporting mechanism for the Projects or Programmes; and
- Details of need and impact assessment, if any, for the Projects undertaken by the Company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

## **Impact Assessment**

1. The Company shall, on exceeding the average CSR obligation in the 3 immediately preceding financial years, by 10 crore rupees or more, undertake impact assessment, through an independent agency, of its CSR projects having outlays of 1 crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
2. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
3. The expenditure towards the impact assessment may be booked in the expenditure towards CSR for that financial year, which shall not exceed 5% percent of the total CSR expenditure for that financial year or 50 lakh rupees, whichever is less

## **Constitution of the CSR Committee**

The CSR Committee will comprise of 3 Directors of which there will be atleast 1 Independent Director.

1. Mrs Kishori Udeshi (Independent Director) – Chairperson
2. Mr Sumit Maheshwari
3. Mr Mahesh Iyer

The Board of Directors may expand/reconstitute this Committee from time to time.

## **Duties and Responsibilities of CSR Committee of the Board**

1. Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act but not limited to the Projects and Programs specified therein;
2. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
  - a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) the manner of execution of such projects or programs, whether by itself or through another entity

- c) the modalities of utilization of funds and implementation schedules for the projects or programs;
  - d) monitoring and reporting mechanism for the projects or programs; and
  - e) details of need and impact assessment, if any, for the projects undertaken by the company, provided that committee may recommend to the Board any alteration of such plan during financial year based on reasonable justification.
3. The Committee may recommend engaging International Organizations for designing, monitoring and evaluation of the CSR projects or programs as well as for capacity building of the Company's personnel for CSR.
  4. The Committee may recommend collaborating with other companies for undertaking CSR activities

The Committee will ensure projects / corpus for relief funds are approved by all Members; funds are deployed judiciously; accounts are audited and projects delivered per schedule with the assistance of internal / external agencies / partners.

### **Duties and Responsibilities of the Board**

1. The Board shall after taking into account the recommendations made by the CSR Committee
  - (i) approve the CSR Policy for the company,
  - (ii) disclose contents of such Policy in its report and
  - (iii) place it on the company's website
2. Ensure that the activities as are included in the CSR Policy of the company are undertaken by the Company.
3. The Board shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years from its Indian operations, in pursuance of its Corporate Social Responsibility Policy;
4. If the Company fails to spend such amount, the Board shall, in its annual report, specify the reasons for not spending the amount, unless the unspent amount relates to any ongoing project, and transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year
5. In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
6. The Board may alter any plan relating to CSR Projects /Programme during financial year on the recommendation of its CSR Committee based on reasonable justification.
7. To review impact assessment and the report shall be annexed to Annual Report on CSR.

### **Disclosure**

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, the CSR Policy and the Projects approved by the Board on the Company's website, for public access

### **Amendments to the Policy**

This CSR Policy approved by the Board of the Company is valid from 1<sup>st</sup> April 2021 and will be in force till such time it is modified or amended by the Board of Directors on recommendation of the CSR Committee.