

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF TOPPAN SPECIALITY FILMS PRIVATE LIMITED

### I. PREAMBLE

- 1.1 Corporate Social Responsibility ("CSR") has been an area of focus for Toppan Speciality Films Private Limited (formerly Max Speciality Films Private Limited), ("TSF" or "**Company**") since inception. There has been a conscious effort to make a difference in the lives of people living in the society through its CSR initiatives. TSF by giving due priority to CSR, always attempt to achieve positive change in the quality of life of the underserved in line with the TOPPAN Group's philosophy.
- 1.2 The Companies Act, 2013, brings an even greater emphasis on CSR with relevant provisions and rules that provides guidance on minimum CSR spend, reporting mechanism, review structure and reporting to the Shareholders of the Company. A CSR Committee has been formed and is in place at the Board level to oversee CSR activities of the Company. Also, the CSR Policy has CSR Policy in place for the purpose, in line with the Companies Act, 2013.
- 1.3 Further to the above stated, the Board shall approve/ adopt the CSR Policy as formulated and proposed by the CSR Committee from time to time with an objective to outline its CSR focus areas, recommending the amount of CSR Expenditure, execution/ implementation process, review & monitoring mechanism, and reporting process to the Management and the Board of Directors of the Company and eventually to the Shareholders.

### II. PHILOSOPHY & OBJECTIVES

TSF has the vision to be India's most admired and preferred global supplier of speciality packaging films. Care for the environment and community is in TSF's Core Value to bring about strong social relevance. Our objective is to make a meaningful and sustained impact on the lives of the beneficiaries of our programs spread across various activities.

### III. DEFINITIONS AND INTERPRETATIONS

"**Board**" means the Board of Directors of the Company.

"**Companies Act**" shall mean the Indian Companies Act, 2013, along with any amendment(s)/ enactments(s) thereto.

"**CSR**" means Corporate Social Responsibility.

"**CSR Activities**" shall mean the permissible CSR activities as per Schedule VII of the Companies Act.

"**CSR Committee**" shall mean the CSR Committee of the Board constituted by the Company.

**"CSR Rules"** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

**"CSR Expenditure"** shall mean the CSR expenditure proposed under this Policy and providing the corpus amount in furtherance of this Policy.

**"Estimated CSR Expenditure"** shall mean the actual estimate of the CSR Expenditure for each year as has been approved for each year in the form of an Annual Action Plan with budgeted amount earmarked among various activities within different areas as per Schedule VII of the Companies Act, 2013.

**"TSF CSR Policy"** or **"CSR Policy"** shall mean this CSR Policy of TSF.

**"TSF CSR Activities"** shall mean the services rendered in the TSF's CSR Identified Sectors.

**"TSF CSR Identified Sectors"** mean the following sectors among others as have been specified under Schedule VII, been identified under this CSR Policy, (i) Promoting Health-care and Health Initiatives (ii) Sanitation, (iii) Promoting Education, (iv) Rural Development, (v) Environmental Sustainability and (vi) Employability Enhancement etc.

**"Proposed Annual Action Plan"** shall mean the annual action plan prepared in terms of relevant rules made therein read with provisions of Section 135 of the Companies Act, 2013, in respect of the TSF's CSR Activities to be taken-up every year.

**"Rules"** shall mean the rules prescribed under the Companies Act, as amended from time to time.

**"Schedule VII"** shall mean the **"Schedule VII"** under the Companies Act.

## IV. CSR IDENTIFIED SECTORS AND CSR ACTIVITIES

TSF shall undertake its CSR initiatives/ activities as per the Companies Act, 2013. However, it shall give primary importance to the TSF's CSR Identified Sectors among others under various areas as mentioned herein below:

### 4.1 Health, Hygiene & Sanitation

- a. Preventive healthcare to underprivileged in identified geographies
- b. Supporting and facilitating surgeries and other treatment.
- c. Organizing Blood Donation Camps.
- d. Distribution of medical equipment to various Government Hospitals.
- e. Personal hygiene training and support in the village which has been adopted by the Company and in those locations where Health camps are organized by the Company
- f. To organize health education lectures
- g. Cancer awareness
- h. Providing pure drinking water
- i. Environmental awareness and care in and around the selected areas of operations of the Company. Propagation of a clean healthy environment to ensure good health

- j. Sports facilities

## 4.2 Education Initiatives

Providing support (including infrastructure support) to schools in the nearby areas of TSF operations by providing teachers, computers, pure & hygienic drinking water, hygiene training cum awareness, woollens and sports equipment to facilitate improvement in academic results and overall development of students.

## 4.3 Environment Sustainability

Installation of renewable source (Usage of Solar Panels Lights etc.), Tree Plantation, Develop Miyawaki Forests, Projects undertaken with IIT, Ropar etc.

## 4.4 Rural Development Projects

Upgradation of Cremation Grounds, providing basic amenities, Training of young leaders to conduct Rural Development Projects, to undertake various waste management projects etc.

## V. MODALITIES OF EXECUTION AND IMPLEMENTATION SCHEDULES

**5.1 Independent Implementing Agency:** The Company shall work with Max India Foundation or other such implementing agencies, which will in turn work with relevant credible NGOs and organisations to execute work on the ground.

**5.2 NGO Support:** TSF will execute projects with the help of NGOs and employee engagement. It may seek the support of NGOs who are working on ground on issues decided upon.

**5.3 Volunteering:** TSF to create a comprehensive Employee Volunteering programme to ensure greater participation of employees in CSR activities. This programme should also include the recognition programme for CSR volunteers. TSF Management will encourage volunteer programmes / participation of the TSF employees.

**5.4 Modality of Execution of TSF CSR Activities:** The Company shall execute and undertake the CSR activities as follows:

5.4.1. Healthcare which will cover health camps, medicinal support, health awareness, cancer awareness, surgeries and treatments, environmental awareness and protection, support for artificial limbs & polio callipers and other disability.

5.4.2. Village Adoption in which the Company will focus on:

- (i) Health, Hygiene and sanitation in the village
- (ii) Supporting school children to improve academics and overall development of the students
- (iii) Pure drinking water

- (iv) Spreading awareness about a healthy environment and activities to protect environment and waste management
- (v) Children & Women related issues in the areas of health, health-education and nutrition
- (vi) Community Development and introduction of sports & vocational training to encourage youth to stay away from drugs

## 5.5 Geographical Areas for TSF CSR Activities:

In the nearby areas or as may be identified in consultation with implementing agency, District Administration etc. Also, w.r.t. projects related to Rural Development and Environmental Sustainability alongwith TSF's identified sectors/ areas in and around the areas of operations of Toppan Speciality Films Private Limited.

## 5.6 Beneficiaries for the TSF CSR Activities:

- 1. Children (0-18 years)
- 2. Women
- 3. Youth (18-25 years)
- 4. Senior citizens
- 5. Others – society at large

## VI. CSR FUNDING AND CSR EXPENDITURE

6.1 **CSR Budget:** In order to ensure funding for the CSR Activities, TSF shall allocate and spend atleast 2% (two per cent) of the average net profits made by the Company (Shareholders' Profit) in its immediately preceding three financial years, in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

6.2 **CSR Expenditure Funds:** The CSR Committee will present the Proposed Annual Action Plan to the Board, which shall include the following, namely:

- i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- ii. the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the CSR Rules;
- iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- iv. monitoring and reporting mechanism for the projects or programmes; and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board shall approve the Annual Action Plan and the CSR Expenditure Funds shall be allocated for implementation of various projects undertaken for CSR contribution/ spending. The Board may alter such plan at any time during the Financial Year upon the recommendation of the CSR Committee, based on the reasonable justification to that effect. Further, the final spend details in line with the overall CSR obligation shall be approved/ ratified by the CSR Committee and thereafter by the Board.

- 6.3 Declaration.** The Company hereby declares that any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company, if any, shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.

## **VII. Monitoring Process of CSR Activities**

- 7.1 Approval of CSR Plan.** TSF Management shall present and get approval on a annual action plan from CSR Committee and Board. The plan should be in line with TSF CSR Policy approved and adopted by the Company. This plan will form the basis for progress report to CSR Committee.
- 7.2 Impact assessment of CSR Projects** – As and when the average CSR obligation becomes ten crore rupees or more in pursuance of Section 135 of the Act, and rules made thereon, the Company shall undertake impact assessment of its CSR projects and report to Board, in the manner stipulated under CSR Rules.
- 7.3 Reporting to CSR Committee.** The progress on CSR areas/ sectors identified by the Company will be reported in the Annual Report on CSR Activities in the format prescribed by the CSR Rules, that forms part of Boards' Report.
- 7.4 Reporting to the Board.** The CSR Committee shall submit its report giving status of the CSR Activities undertaken, CSR Expenditure incurred and such other details as may be required by the Board, in accordance with applicable laws.
- 7.5 Board Report and Annual Report.** The Board shall publish this Policy and an annual report on CSR Activities as per applicable laws.

## **VIII. POWERS OF THE BOARD**

In case the Board determines that the amount to be spent by the Company as per Section 135 of the Act is not expected to exceed fifty lakh rupees in a financial year subsequently, the Board may dissolve the CSR Committee and accordingly, the functions of CSR Committee provided under this Policy shall, in such cases, be discharged by the Board.