



INSPIRE FILMS LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY

I. PREAMBLE

There is growing consensus about the connection between corporate social responsibility and business success. The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Realizing the needs of corporate citizen's crucial role in social activities, the Ministry of Corporate Affairs has notified the Companies (Corporate Social Responsibility Policy) Rules, 2014, commonly referred to as the CSR Rules with effect from 1st April 2014. For Company in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes. As a matter of good governance the Company hereby adopts CSR policy as mentioned herein.

II. OBJECTIVE

Company business has profound impact on the people living in and around the areas where it is established. The obvious impact of the introduction of any production activity in such areas change the traditional lifestyle of the original inhabitants and indigenous communities and also change the socio-economic profile of the area. Hence, the primary beneficiaries of CSR should be staying within the radius of 100 Kilometers of the Office as well as Factory sites. However, poor and needy section of the society living in different parts of India can also be beneficiaries of CSR activities.

The main objective of CSR policy is to lay down guidelines for the companies to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. Company will act as a good Corporate Citizen, subscribing to the principles of Global Compact for implementation.

III. CONSTITUTION OF CSR COMMITTEE

Inspire Films Limited shall constitute its CSR Committee consisting of three or more directors, out of which at least one Director must be an Independent Director. The CSR Committee shall 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. The Committee shall recommend the amount of expenditure to be incurred on

the activities, and monitor the CSR Policy of the Company from time to time.

IV. AREAS TO BE COVERED

The poor and needy Section of the Society living in different parts of India would normally be covered. Key areas of concern are environmental protection and the wellbeing of employees, the community and civil society in general, both now and in the future. To pursue CSR Programmes primarily in areas that falls within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact. This includes:

- i. Education
- ii. Water Supply including drinking water.
- iii. Health care by providing Indoor medical facilities and medicines
- iv. Environment
- v. Social Empowerment
- vi. Infrastructure for Village Electricity/Solar Light/Pawan Chaki etc.
- vii. Sports and culture.
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by Central / State Governments.
- ix. To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development;
- x. Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government / State Governments.
- xi. Generation of employment & setting up Co-operative Society.
- xii. Infrastructure Support
- xiii. Grant/donation/financial assistance/sponsorship to reputed NGOs of the Society/locality doing/involve in up-liftment of the standard of the society.

- xiv. Heritage sites in the CSR purview ensuring involvement of employee's representatives in this Project.
- xv. Empowerment of women for education/health & self-employment
- xvi. Relief of victims and Natural Calamities like Earth Quake, Cyclone, Draught and Flood situation in any part of the country.
- xvii. Disaster Management Activities including those related to amelioration/ Mitigation.
- xviii. Collection of old cloths from the employees and distribution to poor/organizations supporting such cause.
- xix. Development of smokeless fuel out of coal and also arrangement for distribution of efficient Chula to the villagers.
- xx. Objects allowed under the laws of Central and State governments of India for CSR or similar social cause activities.
- xxi. All other objectives allowed as per schedule VII of Companies Act, 2013 or as amended from time to time as follows:
 - a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
 - b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
 - c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
 - d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
 - e. 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;

- f. Measures for the benefit of armed forces veterans, war widows and their dependents;
- g. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h. Contribution to the Prime Ministers' 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;
- i. Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- j. Rural development projects.

The above list is illustrative and not exhaustive.

V. IMPLEMENTATION

- a) The investment in CSR should be project based and for every project time framed periodic mile stones should be finalized at the outset.
- b) Project activities identified under CSR are to be implemented by Specialized Agencies and/or by the Company itself. Specialized Agencies/ staff members could be made to work singly or in tandem with other agencies. CSR can be implemented through trusts or section 8 companies set up for the purpose. The company may itself set up such entities or may use entities set up by other persons for CSR programmes.
- c) Such specialized agencies would include:
 - i. Community based organization whether formal or informal.
 - ii. Voluntary Agencies (NGOs)
 - iii. Charitable Organizations
 - iv. Trusts, Mission etc.

- v. Self-help groups
- vi. Government, Semi Government and autonomous Organizations.
- vii. Women's organizations
- viii. Contracted agencies for civil works
- ix. Professional Consultancy Organization etc.

The above list is illustrative and not exhaustive.

VI. ROLES AND RESPONSIBILITY OF:

A. BOARD

The Board of Director will be responsible for:

1. constituting the CSR committee through a Board resolution with the defined composition and tenure.
2. approve the CSR policy as formulated by the CSR Committee through a Board resolution
3. ensure that every financial year funds committed by the Company for CSR activities are utilized effectively and will monitor implementation regularly.
4. Disclose in its Annual Report names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.
5. Ensure annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.

B. CSR COMMITTEE

CSR committee will be Responsible for:

1. Identify CSR team for implementation of CSR programme and Projects
2. Formulate the CSR policy and identify activities to be undertaken as per Schedule VII of the Companies Act 2013.

3. Recommend the CSR expenditure to be incurred.
4. Report back to the Board of Directors for approval of the CSR policy.
5. Regularly monitor the implementation of the CSR policy.
6. Change/modify the CSR policy as per requirement.

VII. INSTITUTIONAL ARRANGEMENT

- a) Project proposal for any CSR activity shall be examined by the CSR Committee with strength of 2 (two) members. Decision shall be taken on majority basis.
- d) The activities of the CSR Committee will also involve the following:
 - 1) Interact with the concerned department to confirm the areas for undertaking activities under CSR and ensure to avoid duplicity of the job.
 - 2) To decide the priority of the activities to be undertaken under CSR.
 - 3) To interact with the CSR Implementing agencies for determining the activities to be undertaken.
 - 4) The Committee will monitor and review the progress of activities Undertaken/completed.

VIII. COMMITTEE MEETINGS

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities but not less than half yearly.

IX. MONITORING

- a) In every six months Board of Directors of Company should review the implementation of CSR
- b) Company shall include a separate/chapter in the Annual Report on the implementation of CSR activities/project including the facts relating to physical and financial progress.
- c) Utilization Certificate with statement of expenditure duly certified by an Authorized Auditor will be submitted by the Organization/ Institution to whom CSR fund is

allocated.

- d) Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.

X. SOURCE OF FUND

The fund for the CSR should be allocated based on 2 % of the average before tax profit of previous 3 years.

In case company is unable to meet such spent in a year, a disclosure shall be provide in the board report to explain it.

XI. REFLECTION OF CSR ACTIVITIES

The progress report of the activities undertaken shall be reported as under:

- Annual Report by Board of Director in consultation with CSR committee.

The CSR activities will be reflected in the Annual Report and Accounts of company under Social Overhead (CSR).

XII. CONCLUSION

The above guidelines would form the framework around which the CSR activities would be undertaken.

Since CSR Policy of Company includes all the Community Development activities in a broader perspective, the CSR Policy of Company will supersede earlier policies relating to CSR, if any.

Company will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

XIII. SAVING:

The above CSR policy shall be read in consistency with applicable corporate laws and rules in India and if any inconsistency comes due to changes in position of laws at any point of time, the law shall prevail and this CSR policy shall be read accordingly.